

TWENTY CENTS

JULY 12, 1930  
JUL 15 1930

# Sales Management

The Weekly Magazine for Marketing Executives



Bevan Lawson

*Executive sales manager of the Dictaphone Corporation  
who has been elected president of the New York Sales  
Managers' Club*

The "Sales Merger"—A New  
Form of Competitive Strategy

Can Small Business Compete  
with Big Business in Exporting?



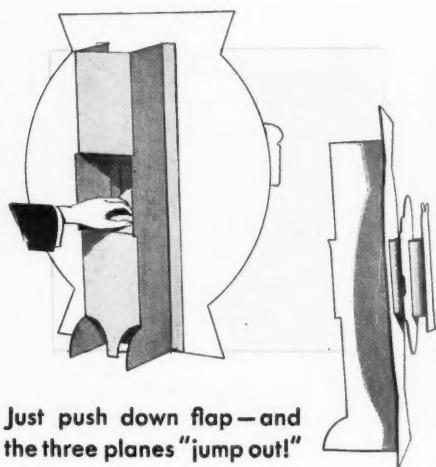
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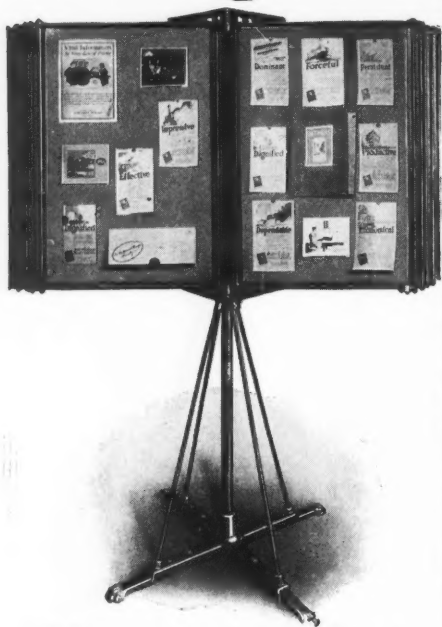
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# Survey of Surveys

BY WALTER MANN

## A. N. A. Budget Study

On June 25, 1930, the Association of National Advertisers embarked on a comprehensive and confidential study of the present methods of division of the advertising budget. Not only will this study include reports from the majority of the members of the A. N. A., most of whom are leaders in their particular branch of industry, but also from outsiders who are promised a copy of the final report in return for collaboration.

In order to avoid any possibility of detection of the name and specific business of the responder, an interesting plan has been worked out. Those who send in responses (there is no place for signature or name on the questionnaires and they are not numbered or identifiable in any way) are also requested to send in an enclosed postcard notifying the A. N. A. that the blank is being sent. This acts as a check on blanks received in the mail without identification of the blank itself.

Quoting from the application blank: "The purpose of this study is to make it possible for buyers of advertising to know what proportion of sales volume is being spent for advertising in all the important industries of the country. Another purpose is to find out what percentage of the advertising budget is going into overhead, what part into mechanical accessories, and what part into media, dealer helps, etc. In the questions which follow, you are not asked to give actual figures. You are only asked to give percentages."

A preliminary question invokes your business classification. Under *manufacturing* we find the following classifications: food, drugs and toilet articles, clothing, textiles, automotive, metal, machinery, etc., chemical and allied manufacturing, paints and varnishes, furniture, leather and shoes, electrical and radio, building materials, industrial, tobacco, hardware, agricultural equipment and household equipment other than electrical.

Under *distribution*, the following: chain stores, department stores, mail order and brokers, wholesalers, etc. Under *transportation*, railroads and steamship lines. Under *mining*, coal, oil wells, all other. Under *financial and insurance*, banks, investment houses and insurance. *Construction* is put under a separate heading.

Section I then asks the responder to state the number of employees in his advertising department.

Section II asks information on the basis of determination of the 1930 advertising budget, with such suggestive headings as percentage of sales for 1929—or for 1930—or for both in combination, "general estimate of amount needed for adequate campaign," etc.

The back of the questionnaire (Section III) is divided into two parts: (a) *administrative expense*—per cent for 1930 vs. 1929, broken down into such items as salaries, rent, traveling expense, etc., and (b) *actual expenditures for media* of all sorts

as follows: magazines, newspapers, radio broadcasting (including talent), direct mail (consumers and dealers), business papers (general business papers such as *Nation's Business*, *Business Week*, etc.), trade papers (i. e., publications reaching distributors), industrial publications (i. e., publications used for products sold to industry), outdoor advertising, car cards, dealer helps, store and window displays, premiums, miscellaneous (novelties, etc.), house organs, sales and service literature (except direct mail), conventions and exhibits, motion pictures, art work, engraving, etc. (if not included above), price lists and internal publications and publicity.

Finally one question (Section IV) asks for the percentage of the responder's total advertising budget to the total sales (actual for 1929, estimated for 1930).

When these reports are received they are to be classified as described under Section 1, their identity submerged and blended into the report by classifications which are in time to be compiled into a total report both general and by classifications.

If there are S. O. S. readers (national advertisers) who are sufficiently interested to want to give their detailed data in return for the complete report, S. O. S. will endeavor to secure blanks for them and turn them in to the A. N. A. through the column, in case the "forms" have not already closed by the time they are received. In any event, excerpts of the report will be published later in a news article upon completion of the report.

## Thumbnail Reviews

*First Ohio Management Conference—Addresses.* The addresses of this conference participated in by bankers, manufacturers and retail merchants in Ohio, have been published under the following titles: 1. Building for Profits on Consumer Good Will; 2. The Consumer and Modern Retailing; 3. Guide-Posts to Efficient Distribution and Marketing; 4. Lessons from Current Business Trends; 5. The Manufacturer's Responsibility to His Dealers; 6. Our Changing Times; 7. Tapping the Man-Power in a Sales Organization and 8. What's Ahead in Retail Distribution. Metropolitan Life Insurance Company, Policyholders Service Bureau, 1 Madison Avenue, New York. Free.

*Executives' Service Bulletin.* In the June issue appears an index of the articles published during 1928 and 1929 in the Executive Service Bulletin, a free publication issued monthly in the interests of better management. Policyholders Service Bureau, Metropolitan Life Insurance Company, 1 Madison Avenue, New York. Free.

*Automobile Count.* By counties and by makes as of January 1, 1930, for the fourteen Southern states. Also shows gain or loss by makes for each state, 1929 over 1928. *Southern Agriculturist*, Nashville, Tennessee. Free.



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Saturday . . . .

# Sales Management

Publication Office:  
420 Lexington Ave.  
New York. Phone  
Lexington 1760



IDEAS used by a leading hardware wholesaler to build a sales bulletin, which the men will read carefully and consistently, will be outlined in an article to appear in an early issue of SALES MANAGEMENT. Small companies as well as large ones can use the plan.

THAT it is not necessary to merge complete companies in order to gain the advantages of a merger is well demonstrated in the experience of the alliance between the sales departments of the Blabon and Sandura companies. Details of this unique "sales merger" are explained on page 40. Through this plan these companies have materially cut costs and strengthened their competitive position in the industry.

"IS There a Way to Pick the 'Lemons' in the Line?" is the title of the next article by Fred Suhr, who shows that the selection of styles and designs need not be left entirely to guesswork on the part of executives or cursory tests which really are not tests at all from the standpoint of general salability of the product. Mr. Suhr's articles appear exclusively in SALES MANAGEMENT.

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RAYMOND BILL, *President*; PHILIP SALISBURY, *Vice-President and Director of Advertising*; J. F. WEINTZ, C. E. LOVEJOY, *Vice-Presidents*; M. V. REED, *Eastern Advertising Manager*; FREDERICK FRANKLIN, *Promotion Manager*; R. E. SMALLWOOD, *Circulation Manager*; G. D. YOUNG, *London Manager*. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.



### Travelers Spend Money in Any Season!

Does anyone know better than the salesmanager that conditions are always shifting? Then remember that it applies to Florida, as one instance that of "tourists." No longer a winter playground alone, Florida offers summertime delights at her salt water beaches and inland lakes, to such a degree that New York, North Carolina and Georgia alone were represented by visitors in May arriving in 2,551 cars, carrying 7,187 passengers. Thus steadily renewed markets surround "Florida's Foremost Newspaper!"

**The Florida Times-Union** JACKSONVILLE  
FLORIDA



If you want your message to go home—put it in *The Sun* . . . for *The Sun* is read in more of the better-class homes of New York and its suburbs than any other weekday newspaper.

## They Take It Home ... Every Day

The offices are closed—the day's work is done. New York is going home. Home to Brooklyn, the Bronx and Queens. Home to Long Island, New Jersey and Westchester. Home to supper, the wife and children. Home to plan for tomorrow. "Where shall we go this summer?" "Can we buy that car now?" "Where shall we buy the children's clothes?"

And into the homes goes *The Sun* every day . . . into the homes of prosperous, intelligent people . . . into the homes to be read, to entertain and to inform . . . into the homes to help in the planning and the buying. Over 300,000 copies are sold every day and over 80 per cent. of these are distributed after three o'clock when New Yorkers are on their way home. . .

**The**  **Sun**

NEW YORK

*The Newspaper of Distinction in its Readers, its News and its Advertising*

# Significant News

• • • Independent department stores are still showing smaller operating costs than chain department stores according to the Harvard Bureau of Business Research. The report, just out, deals with profit and loss statements and balance sheets of 768 stores with net sales of \$1,500,000,000 about one-quarter of the department store business of the country.

• • • Gross profits of these stores ranged from 28.7 to 34.4 per cent of sales for department stores while specialty shops' margins varied from 32.2 to 35.8 per cent. Net profits after fixed charges ranged from 1.1 to 1.6 per cent for department stores and from nothing to 2.1 per cent for specialty stores.

• • • A "standard system of accounts for retail grocers" has been formulated by the allied food committee of Louisville. It keeps track of profit on each commodity, the cost of every service and the value of each customer.

• • • Cotton acreage has been cut only 2.7 per cent according to the July government report published this week—a rather meager response to the Farm Board's call for a 10 per cent reduction.

• • • New York city's population as finally computed for the 1930 census is 6,955,084, 23 per cent more than in 1920.

• • • Current Washington dispatches now report a strong probability that, the original war veterans' pension bill being out of the way, last year's income tax reduction will be continued this year.

• • • Ten Hearst newspapers and the *American Weekly* have been acquired by Hearst Consolidated Publications which this week offered at public sale 1,600,000 shares of Class A 7 per cent cumulative \$25 par participating stock, besides 400,000 shares reserved for officers and employees of Hearst corporations.

• • • These papers have a combined daily circulation of 2,563,426, five have a Sunday circulation of 1,744,017, and the *American Weekly* has a circulation of 5,606,243. Their advertising last year amounted to 143,207,737 lines and their net income was \$12,854,626 compared with \$11,044,777 in 1928. Mr. Hearst and his son, William R. Hearst, Jr., are on the board of the new corporation.

• • • Restricted buying by merchants has brought stocks of goods so low, in the opinion of Dr. Stephen I. Miller, executive manager of the National Association of Credit Men, that replenishment on a large scale will soon be necessary, if actual requirements are to be met.

• • • In this fact and the abnormally low prices of some commodities Dr. Miller sees signs of easy economic rehabilitation at no distant date.

• • • Railroad car loadings for twenty-nine principal commodities in the third quarter are estimated by the Shippers Regional Advisory Boards at 61½ per cent less than actual shipments in the same period last year.

• • • The Wisconsin court decision against cigar wholesalers accused of a competition destroying device, consisting of arrangements involving other wholesalers and certain retailers in favor of brands controlled by them, contains nothing new in anti-trust litigation. The supreme court of the state merely finds that there is no merit in a demurrer which contended that a prima facie case was not presented by the complaint.

• • • Whether Lewis & Leidesdorf, wholesalers in Wisconsin, had a right to engage with General Cigars and G. H. P. company for special display of the brands they are interested in as a consideration for extra discounts remains a matter for judicial determination after proof of the allegations.

• • • The Federal Trade Commission has induced a coffee distributor to discontinue advertisements indicating that his coffee has been subjected to a ripening process involving fungus growths when in fact nothing of the sort has been done.

• • • Chain store sales in June, now being reported, show much irregularity. Montgomery Ward had a gain of more than 9 per cent while Kroger lost 7.2 per cent. Kresge was down 9.3 per cent while W. T. Grant was up 1.8 per cent. F. W. Woolworth lost 12.2 per cent while Schulte-United gained 46.9 per cent.

• • • That China is likely soon to adopt the gold standard is inferred from the recent action of that country in placing an embargo on gold bullion exportations.

• • • Export circles and bankers were interested in the statement published late last week wherein leading English bankers commended British tariffs against goods originating outside the dominions. Especial importance was attached to the signature on this document of Reginald McKenna, hitherto a stalwart as well as influential free trader.

• • • Special interest attaches to the news that practically the whole steel industry is behind the advertising campaign which uses the slogan "Save with Steel." Although the appropriation—\$500,000—is small for so large a combination, the thing that counts most in this case is that a definite start has been made.

• • • Of one billion tons of steel produced in the United States in a century or more, a full half was put out in the last dozen years. This fact, to which the *Iron Trade Review* (now *Steel*) calls attention, gives some idea of the country's development in recent years.





*A simplified method for displaying twelve patterns of linoleum in a limited space is one of the effective merchandising ideas Blabon-Sandura offers to dealers.*

Instead of effecting a complete merger, the Blabon and Sandura companies combined the sales departments only. This combination resulted in materially lowered sales costs, and brought about considerable strengthening of the market position of both concerns. How the merger was handled is told here.

As told to James True

BY F. H. COUCHMAN

*General Sales Manager, Blabon-Sandura Company, Inc., Philadelphia*

## The "Sales Merger"—A New Form of Competitive Strategy

COMPETITIVE advantages, lower selling costs, larger orders, better relations with the trade and other benefits have promptly followed the selling combination of the Blabon and Sandura companies. In fact, our plan of combining only the sales departments of the two companies has resulted in most of the advantages of a complete merger, and yet each company remains a separate organization, maintaining its independence and individuality.

So far as we know, this combination differs from all others in certain respects, and its success during its first year indicates that many other manufacturers may be able to merge in a similar manner with as good or better

results. It is simply a matter of combining the sales departments of two or more manufacturers whose goods are non-competitive and sold through the same distributive channel to the same retail trade.

One of the principal advantages of this selling-merger is the meeting of competition in the delivery of goods. All wholesalers and retailers of our products carry both linoleum and felt-base floor coverings. The two largest manufacturers in the industry produce both of these lines. For many years it has been the custom of manufacturers to give distributors and dealers special discounts, or rebates, based on the volume of their purchases over six-month periods. Hence it is obvi-

ous that our companies faced a serious handicap, before the combination, in sales resistance caused by the loss of rebates on the part of our customers.

This factor alone encouraged the merging of the George W. Blabon Company, the oldest manufacturer of linoleum in the United States, and the Sandura Company, a young and aggressive producer of felt-base floor coverings. But there were several conditions preventing a complete merger. The owners of both companies wanted to preserve the identities of their properties. Therefore, we worked out a plan that would give us every possible selling advantage of a complete merger, without disturbing ownership or organization.

This resulted in the two companies entering into a contract to form a third organization — the Blabon-Sandura Company, Inc.—to sell both lines. The companies financed the new enterprise by taking all of its stock, equally divided, which furnished sufficient capital. A board of directors was appointed which gives the companies equal representation.

The combination became effective March 1, 1929, when the new company took over the sales and the responsibility of distributing all products of both factories to wholesalers, retailers and contractors. We also handle all credits and collections, all advertising and merchandising under a sales promotion department. Our company, being in continuous contact with all branches of the trade, is recognized by the parent companies as the best source for ideas and information regarding patterns, designs, color combinations, prices and all other factors having a direct influence on the sale of our merchandise.

When combined, the two sales forces were not materially reduced. Before the combination, men of both companies were covering large territories, and we found it advisable to work the ground more closely, thus reducing the size of the territories covered by individual salesmen. It was our purpose to select the best men

from each group, and the companies recommended salesmen who had made the best records with them. We started with about thirty, and now have forty salesmen on our field force, and, as far as possible, the old men are covering their original territories.

Although all of our salesmen are experienced, the training we gave them has proved to be one of the most important things we have accomplished. Early in March, last year, we called them in for a four-day sales meeting, and gave them an intensive course on the features of both lines. Then they spent a week in studying all production methods at the factories.

Last fall, because it appeared that some of the men did not have sufficient knowledge of certain conditions and aspects of the lines, we established a linoleum school at the Blabon factory. Here we brought the salesmen in groups of four or five, and gave them a complete course, not only in the manufacture and sale of linoleum and felt-base rugs, but also in the production and characteristics of all types of floor coverings. They were then given special instruction in laying linoleum, so that they would know when this important work is done properly.

When all of the members of our force had been through this school,

we called them again to Philadelphia for a general sales meeting. We rented the roof floor of a large hotel from Monday morning until Friday night, and gave the men a course of instruction and entertainment that required every moment of their time, with nightly allowances of eight hours for sleep. A great deal of time was saved because the men did not have to leave the building for anything. While we were holding a meeting in one part of the roof, another was being prepared for the next program. Every department of both companies was represented, every subject of importance was thoroughly covered, and the working program for 1930 was outlined and explained in detail.

In a merger like ours the intensive training of the sales force is undoubtedly of the greatest importance. We are convinced that our schools and special courses of training have been the principal cause of the satisfactory volume of business the new organization has handled.

In allotting territories, we first divided the country into five principal sales divisions, according to transportation facilities, population, and both actual and potential sources of distribution. Each division is under the direction of a divisional sales manager, with headquarters in San

(Continued on page 66)



Better support from dealers was one of the fruits of the Blabon-Sandura merger. This display of linoleum and felt-base merchandise appeared in the window of the H. F. Roesch Company, St. Louis.



# A New Kink in Food Display Jumps Reid Murdoch Sales

**A**PPROXIMATELY 30,000 independent merchants have installed at least some of the patented Monarch equipment for the display of Monarch foods "The Monarch Way," and many thousands of these have adopted such equipment throughout their stores, according to executives of Reid, Murdoch and Company, Chicago, manufacturers and distributors of more than 250 nationally advertised food products which are sold exclusively through independent retailers under the "Monarch" brand.

The same executives add that the complete installation of such equipment by an independent merchant almost invariably results in at least doubling his volume, and they cite numerous examples of even more spectacular gains. They do not publish figures on their own volume, but as a major portion of these retailers' gains are in sales of Monarch products, and as a considerable percentage of the 30,000 merchants referred to have taken on the Monarch line recently in order to get the



*The "Monarch Foods" plane of Reid Murdoch is fitted up to demonstrate the plan for displaying canned foods in glass.*

Glass container display of canned goods is the backbone of a new food merchandising plan of a Chicago manufacturer. Thousands of retailers have adopted the plan with doubled sales resulting in many cases. The idea has been especially successful in popularizing heretofore unpopular items in the line.

BY D. G. BAIRD

patented display equipment, they are hardly exaggerating when they remark that providing this equipment for dealers has proved to be "by far the best thing we have ever done."

In common with many other

successful sales ideas, the Monarch plan is a very simple one; that of displaying a sample of each canned product in a glass jar in close proximity with the stock on the dealer's shelves; or, to quote their slogan, "See It in Glass—Buy It in Tin."

The first of such equipment was introduced late in 1928 and consisted merely of shelf pockets and glass display jars. Later on, pickle stands and movable display tables were added to meet a need which developed from using the shelf brackets to the best advantage.

Brackets are attached to the dealer's shelves to hold the glass display jars immediately in front of the stock on the shelves. The contents of each jar are the same as those of the cans immediately behind and to each side of it. The dealer uses as many brackets and jars as the number of Monarch canned products he carries in stock.

The brackets are patented, they belong to Reid, Murdoch and Company, and they cannot be bought. The manufacturer lends them to dealers for their use in displaying Monarch products only; if a



# The MONARCH WAY

SEE it in Glass — BUY it in Tin



*Reid Murdoch teach dealers better merchandising methods through this model store in their Chicago plant.*

dealer uses them for any other purpose, particularly if he uses them in connection with any other brand of similar goods, they are taken away from him.

The glass display jar takes the place of one can in each case of goods on the dealer's initial order for such equipment and therefore belongs to him. He commonly uses the same jars until there is some special reason for replacing them, such as breakage, soil, or some change in the product which it displays.

The same idea is used for display tables, there being one bracket attached to each table.

R. B. Newton, advertising manager, has pointed out numerous helpful features of the plan to Monarch dealers. Chief among these are the following:

1. It eliminates cutting,
2. Avoids misunderstandings,
3. Sells quality,
4. Acquaints customers with other products,
5. Saves clerks' time,
6. Popularizes the Monarch brand,
7. Overcomes chain-store competition to a great extent,
8. Makes a more attractive store.
9. Is inexpensive,
10. Has no strings attached to it.

"The perfection of modern canning is one of the greatest developments in the history of the food industry," Mr. Newton said. "Without dwelling on its importance, suffice to say

that millions of cans of almost infinite variety are now sold in this country every year. But there is one big obstacle in selling canned goods and that is the customer can't see the actual contents of the can until it is opened.

"For this reason, grocers have long made a practice of 'cutting'; that is, opening a can and displaying its contents in a bowl on the counter to show customers the quality and to serve as a suggestive display. That is very helpful, but it is somewhat expensive, as the goods are not salable after being displayed in this way. As a result, merchants usually display only one or two products at a time in this way and concentrate on them at the time, to the neglect of all other products.

"This plan eliminates cutting entirely and it enables the merchant to display the contents of his entire line of Monarch canned products without incurring any special expense.

"But suppose Mrs. Jones asks for a can of peas. The grocer probably has four or more varieties of canned peas in stock, so he asks her what kind she wants. She doesn't know the name, but she tries to describe the variety. He interprets her description to the best of his ability, but the chances are she will be disappointed when she opens the can. In any event, the grocer wasted valuable time in trying to learn just what she wanted.

"With this arrangement, Mrs.

Jones can 'See It in Glass—Buy It in Tin.' She gets exactly what she wants, without taking up the grocer's time about it.

"The plan is especially helpful in proving one's claims to quality, too. Independent merchants have had a hard time trying to convince customers that they sell goods of better quality than the chain stores. It costs little to wrap a can in a fancy label, but it costs money to fill the can with quality food. The customer sees the quality of Monarch foods she buys. If the merchant cares to contrast this quality with that of some other brand for the benefit of his customers, that is his privilege.

"One of the greatest advantages of the plan, though, is that it acquaints customers with other products with which they are not familiar or which they would not otherwise have thought of.

"Few customers are aware, for example, that they can buy canned corn on the cob. When we introduced this display idea, we had a normal year's supply of this product in stock; two months later our stock was exhausted.

"We had never been very successful with canned preserved figs and when we introduced this plan dealers generally didn't want to include this product. We were sure it would sell when people saw the goods, so we insisted that dealers stock it. Their sales of this product immediately

*(Continued on page 62)*



*Living conditions for workers are steadily improving in Russia, part of its construction program including the building of workers' homes and apartments.*

BY  
LAWRENCE M.  
HUGHES

# Russia May Buy \$200,000,000 of American Products this Year

**I**N the course of its Five-Year Economic Program, now rapidly gathering momentum, the Soviet Union has become one of the best customers of the United States.

In the first four months of the present calendar year exports from the United States to the European part of the Soviet Union totaled \$54,385,000, a gain of about 200 per cent over the corresponding period of 1929. Soviet purchases in the United States last year totaled \$115,000,000—about two-thirds of which were handled by Amtorg and the rest by the All-Russian Textile Syndicate, Centrosoyus and Selskosojus, and other corporations here. There is reason to believe that this figure will be increased in 1930 to \$200,000,000.

An outline of the types of products being purchased in America by the Soviet Union, of the localities in which they are now being bought and of some of the methods employed will prove of interest to American manufacturers.

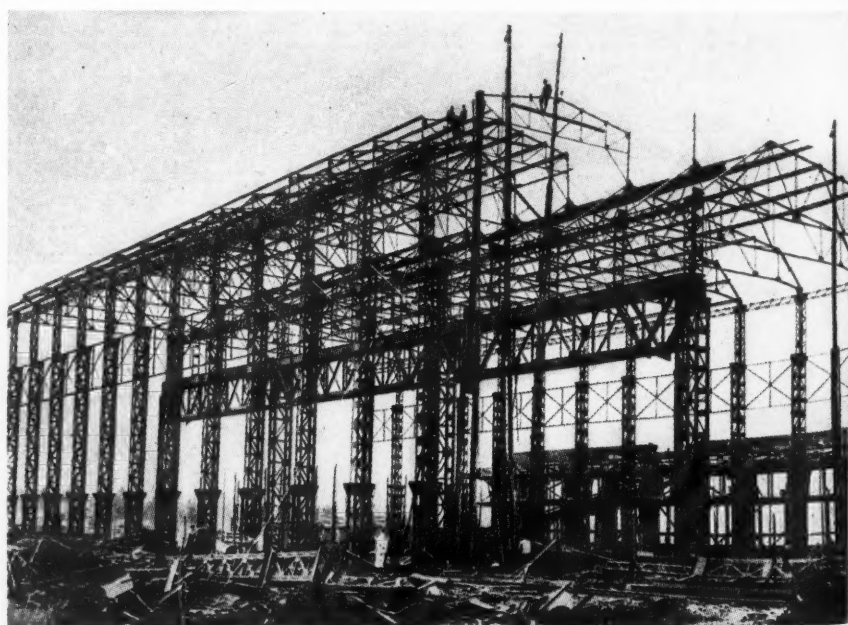
All of the Soviet imports—as well as the appointment of technical advisers from America and other countries and the contracting for certain "concessions" to develop mineral and other resources—are for the purpose of aiding in the economic rehabilitation of the Russian people. During the five-year period the United States

of Soviet Russia expects to spend \$3,000,000,000 for equipment and supplies.

At the present time the United States of America, more than any other country, is helping to supply the demand. In the first half of the Soviet fiscal year—from October 1, 1929, to March 31—its purchases

from America were \$77,159,000, as compared with \$55,640,000 from Germany, \$44,163,000 from Great Britain and \$16,851,000 from France. Within the last half-year the United States has taken the first position from Germany.

Soviet orders in the last few years have been placed with companies in



*Industrial equipment for construction and for manufacturing is one of the eight major groups of Soviet purchases from the United States.*



forty states. The largest amount of orders, up to last October (\$120,000,000), went to Texas for cotton. Texas orders in the fiscal year 1928-9 totaled \$24,358,000. Illinois was second in that year with \$17,711,000, and New York third, \$17,345,000. Ohio, California, Pennsylvania and Michigan also ranked above \$5,000,000, and seven other states, and Canada, each received orders during the year which totaled more than \$1,000,000.

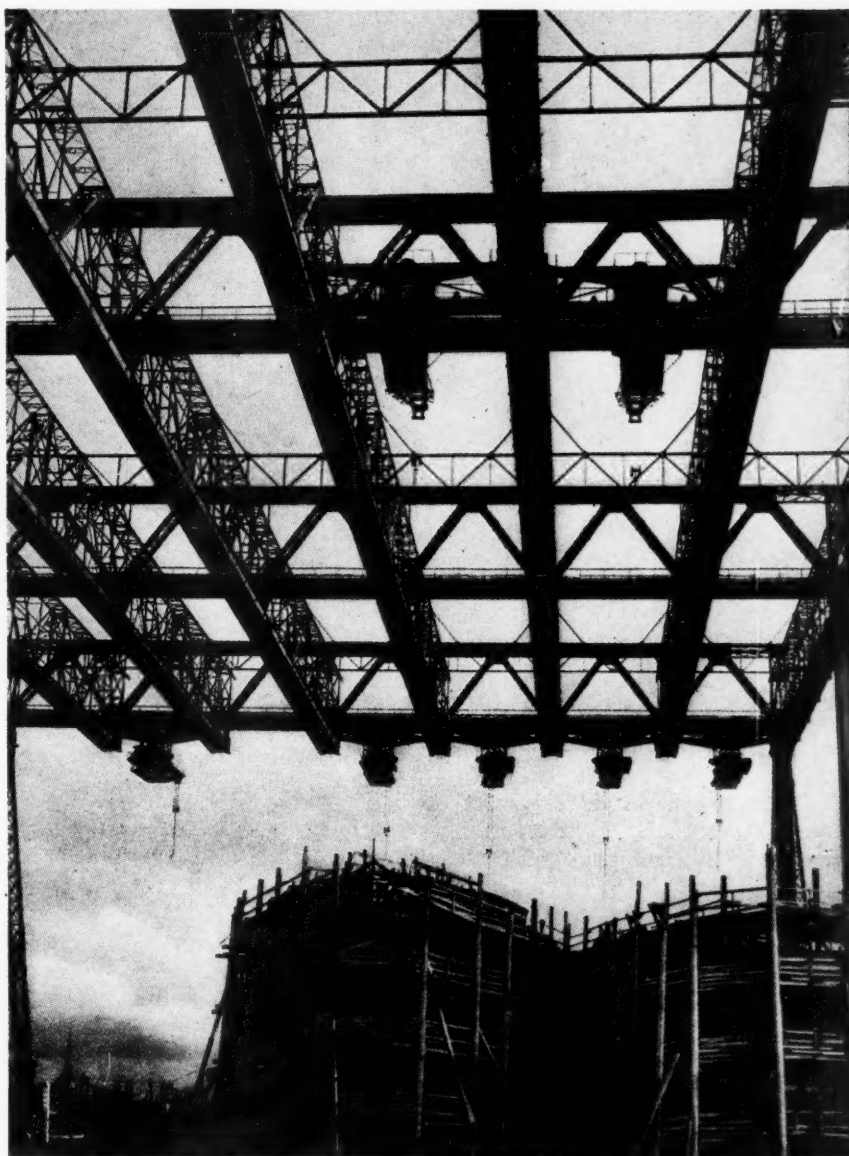
Cotton and industrial machinery are the principal products imported by the Soviet from the United States—each representing about a third of the \$107,651,115 in purchases here during the 1928-9 year. Tractors and parts, however, totaled \$20,175,586, oil equipment more than \$9,000,000, metal industry equipment, non-ferrous metals and automobiles more than \$4,000,000 each, and equipment for automotive and tractor plants \$5,748,148.

### Major Groups of Purchases

Soviet purchases are divided into eight major groups: Raw materials, such as cotton and crude rubber; semi-manufactured products, like white tinplate, wire and paper; industrial equipment, for mining, construction, communications, metallurgical, clothing and other plants; power plant equipments; automotive; agricultural machinery and supplies; consumers' goods, such as typewriters and adding machines, and miscellaneous. In the list of consumers' goods, as well as in the others, it will be noted, no equipment is purchased for entertainment and "luxury," or adornment purposes. The Soviet is a land of work. Also, it is capable of producing food enough to meet its own requirements. Food products are not a part of the imports. This condition also is true of certain other products sold directly to the consumer.

Although there are several purchasing agencies of the Soviet Government in the United States, about 75 per cent of this work is done by Amtorg. The others, such as the All-Russian Textile Syndicate, concentrate on particular types of products and on specific studies of American methods.

With regard to the selection of American firms to supply Russia's needs, these organizations have, of course, no prejudices. Orders are placed—quality and service being equal—on a basis of competitive bidding. Because of the magnitude of the program, as large a credit allowance as possible is sought. In 1928-9 credits for one year or more were extended by nearly 200 American concerns.



*Soviet imports are to aid in the economic rehabilitation of the Russian people. The United States of Soviet Russia expect to spend \$3,000,000,000 for equipment and supplies in a five-year program.*

Peter A. Bogdanov, chairman of the board of Amtorg, pointed out in an interview that "the most serious difficulties are those connected with the question of adequate financing of our purchases here. The Soviet Union receives in Europe large credits, partially government-guaranteed. At the same time, prices abroad are lower than in this country. We are enjoying considerable credits from a number of American firms, but often are unable to place orders because the firms in question are unable to finance these purchases in accordance with the requirements of the Soviet market. The difficult credit situation with some firms has made it necessary to transfer certain orders to Europe. We request credits not because the Soviet Union is not in a position to pay for its imports, but because improved credit facilities would permit the speeding

up of our construction work. At the present time our purchases are confined to the limit of our export possibilities. While our exports grow steadily, the needs of our upbuilding call for much larger imports of equipment. A more rapid rate of economic development would result in a corresponding rise in the purchasing power of the population, which in its turn will expand our market still further. American manufacturers must consider seriously the problem of arranging for normal financing of our purchases here and must show greater flexibility on the part of suppliers. Since the capital of many manufacturers is limited they must take up with the banks the question of general financing of Soviet business.

"In discussing the question of credits, the problem of security is, of  
(Continued on page 70)



# Out Where the Sales Plan Begins —in the Field

BY PERCIVAL WHITE

ONE of the greatest problems facing business (especially in these days) is that of making correct decisions. Questions are forever cropping up and solutions for them must be found. When all facts are known, the proper decision is usually easy to make. When, however, only a few of the facts are known, the executive is forced to guess as to the best course of action to follow. The functions of field research are to unearth the facts, test their validity and present them for action.

Early in 1930 the Gillette Safety Razor Company announced its new razor and blade through a large national advertising campaign. Previous to this the company had been doing 70 per cent of the razor and blade business of the country, yet occasional complaints had convinced the company's executives, in spite of annually increasing profits, that they needed to know more facts about their market. A mail questionnaire to 27,000 selected men clearly showed that razor pull, split blades and slightly rusted razor edges were the main troubles.

## Testing the Gillette Razor

Laboratory research proved that dented razor corners caused both razor pull and split blades. A razor which, in spite of hard knocks, would keep blades aligned properly and a rustless blade were developed. These new products were tested by Gillette employees. They were then given a further test through use by heavily bearded men. This second test was a "blind" one, that is, a dummy company and nameless samples were used. The reports showed conclusively that both new products were satisfactory.

The mail survey, and additional investigation, clearly indicated what basic appeals to emphasize in promoting the new products. Research in sales methods convinced the company that special deals and advertising allowances to chain stores were advisable. The result has been the Colgate-Palmolive-Peet-Gillette special deal whereby a purchaser receives a full-sized tube of shaving cream and a Gillette razor with one blade for the advertised price of the shaving cream.

Shooting in the dark in the drafting of sales policies is responsible for untold volumes of waste in distribution. Sales research is the tool being applied now by progressive concerns, big and little, in the pre-checking of sales plans. How Colgate, Gillette, Russia Cement, Pinaud and others use research to cut waste and to gain competitive advantages is told.

In the case of advertising allowances, a perpetual check is maintained on the retail organizations through the use of field workers. The advertising allowances must be used for advertising. These investigators likewise continuously collect information from retailers. In this way, Gillette executives are supplied with up-to-the-minute market information.

The market research department of the Lewis Manufacturing Company, a division of the Kendall Company, was given the task of improving the distribution of "Curity" cheesecloth. As a result of field investigation, more than 100 uses of cheesecloth were found and analyzed. Two groups of uses emerged: 1. Dusting, cleaning and polishing, which required a cloth of open construction. 2. General household use for jelly strainers, cold cream removers, etc., which required a finer count cloth. The major sales problem was found to be a lack of packaging and dealer display for all cheesecloths. Individual packages and counter containers were designed for both types of cheesecloth. The counter containers held twelve packages. The complete set-up was attractive and each general type of cheesecloth was separately merchandised. Trade paper advertising found dealers very receptive, while the new packaging was successful from the start.

The Russia Cement Company, manufacturers of LePage's Glue and other products, found that New England was contributing a smaller volume of business than might be expected. A skilled investigator found that direct contacts with retailers, accompanied by considerable missionary work, were necessary to obtain satis-

factory sales. The company, although none of its salesmen visit retailers elsewhere, satisfactorily created a sales force to visit retailers in New England. The selling cost has been no higher, sales have increased to a reasonable figure, and finally, sales through jobbers have mounted. This last fact is surprising and mainly due to the investigator learning that the only protection demanded by the jobbers was that the prices quoted to retailers direct be the same as those quoted by the jobber.

The Bigelow-Sanford Carpet Company, Inc., has used research to find the best methods of operating carpet divisions in department stores and to tie up carpet sales with other home furnishings. This information is then broadcast to the appropriate retail store executives. Fashion trends have been determined and style booklets for the use of retail clerks have been created. A comprehensive merchandising policy based upon research facts has been adopted and, from the start, very favorable results have been obtained.

The Corning Glass Works cut down the cost per inquiry for Pyrex ovenware considerably through utilizing the results of a comprehensive survey of consumers, determining the items of Pyrex they used, what each item was used for, etc.

The House of Pinaud rescued its whole line from disrepute due to widespread distribution of a few of its items in barber shops. A new cold cream in a scientifically selected package was introduced, by sampling. Other cosmetic products of the same company were then similarly remodelled and introduced. The line was

(Continued on page 72)

## "EASY-CHAIR READERS"



*are more easily* **SOLD**

IT'S taken for granted that advertisements read at leisure have a powerful sales message, and that the way to reach "easy-chair readers" is through the *home paper*.

The trick is to find the "home paper"!

Take Boston, for instance. Here is a Trading Area, fourth in size in the United States. Which of the several newspapers is read at a time when readers are relaxed . . . unhurried . . . in a receptive mood? In other words—which is the "home paper"?

Circulation figures say it's the Globe.

Not *daily* figures; they say little . . . too many thousands of evening papers bought downtown and carried out to suburban homes. With two Boston papers selling space only on a morning and evening combination basis, no detailed town-by-town circulation comparison of Boston *daily* papers is either accurate or fair.

*Sunday* tells the story. On Sunday all papers

are bought in the reader's neighborhood and all are "home papers."

The three Boston papers carrying the largest volume of advertising each publish a Sunday edition.

One loses 20% of its daily circulation within the 30-mile radius. Another loses 57%. No other paper picks up this loss.

The third, the Globe, has the same circulation seven days a week.

Clearly, the Globe is the "home paper" in the Boston Trading Area. It is the only Boston paper that has home strength on the day that all reading is done at home.

Local department stores, keen judges of home leadership, use more space in the Globe, *daily and Sunday*, than in any other newspaper.

The whole interesting story is told in the booklet, "Reaching Buying Power in the Boston Market." Write for your free copy.

## The BOSTON GLOBE

# Municipal Advertising Needs the Investment Point of View

BY D. M. HUBBARD

"Nothing is quite so vital to the success of a city advertising campaign as the attitude of the sponsors of the advertising," says the writer of this article.

*More than four or five years are required to rebuild a city, but this one Louisville intersection reflects progress made in the past five years.*

Photographs by  
the Louisville  
Courier-Journal



**P**ROFITS from industrial advertising programs such as Louisville, Atlanta, New Orleans, Kansas City, Dallas, San Francisco and other enterprising cities are conducting hinge more on the point of view involved than on any other single factor.

For want of a more accurately descriptive term this essential may be termed the investment, or the long-haul, point of view.

No matter how one designates it, it is opposite to the point of view satisfied with nothing less than sales today from the advertisement of this morning. Lacking the investment point of view, no city advertising campaign can reach its real objectives. True, it may produce results, but it will not yield maximum returns.

Obviously the size of the advertising appropriation must always be a vital factor. And certainly no group appreciates more keenly than SALES MANAGEMENT readers that honest analysis, sound planning and technical skill in the actual preparation and placing of the advertising, are basic needs.

A thousand and one of these genuinely important details, all related, influence the productiveness of every city's advertising efforts. Yet none is quite so vital to success as the underlying attitude of the body over whose



signature the advertising appears and the attitude of the subscribers who pay for that advertising.

Recently a visitor called at the offices of the Louisville Industrial Foundation. He was from a city in the Southwest that had just begun to advertise nationally. He and his fellow committee members had been confident that once the advertising for his city made its bow, a deluge of interested inquiries and decisions to locate in his city would follow. The deluge had proved to be a drought.

"We don't know what is wrong," he said. "Do you get many inquiries from your advertising?"

"Yes and no. We welcome them

(Continued on page 68)

**MARKET MAP of AMERICA**

**SALES MANAGERS: Send for this Unusual Market Map**

With each order placed with the Louisville Industrial Foundation, the advertiser receives a copy of this map. It is a map of the United States, showing the location of the advertiser's plant, and the location of the advertiser's customers. It is a map of the United States, showing the location of the advertiser's plant, and the location of the advertiser's customers. It is a map of the United States, showing the location of the advertiser's plant, and the location of the advertiser's customers.

**NO COST**

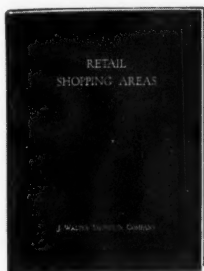
**NO OBLIGATION**

**LOUISVILLE**

**PRINTED IN COLOR ON DURABLE STOCK 27" x 19" INCHES NO COST OR OBLIGATION**

*A map which drew 2,500 quality inquiries was used to key the advertising of last fall.*





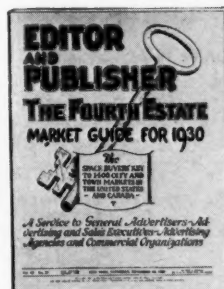
J. Walter Thompson Co.'s  
"Retail Shopping Areas"



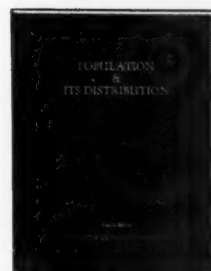
Standard Rate and Data  
Service's "Cleveland"  
section.



100,000 Group's "A Study  
of All American Markets"



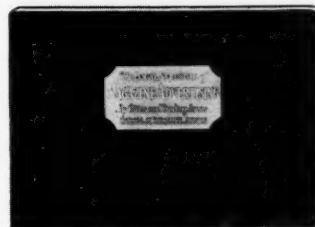
Editor & Publisher's "Mar-  
ket Guide for 1930"



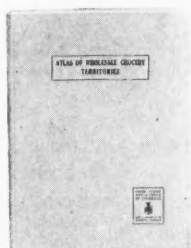
J. Walter Thompson Co.'s  
"Population and Its Dis-  
tribution"

## IN THESE BOOKS IS AMPLE PROOF

*of the small and compact character  
of the TRUE Cleveland Market!*



International Magazine Corp.'s "The  
Local Strength of Magazine Adver-  
tising"



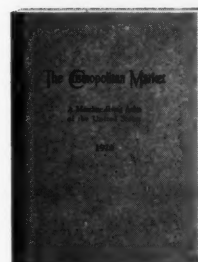
U. S. Department of  
Commerce's "Atlas of  
Wholesale Grocery  
Territories"

**T**HESE eight volumes contain references and maps which definitely establish the TRUE Cleveland Market as a small and compact, 35-mile territory surrounding Cleveland Public Square.

Within this area live approximately 1,600,000 people—all those who read and buy from Cleveland newspaper advertising.

Here in this TRUE Cleveland Market, the Press distributes 94.1 per cent of its total circulation—concentrated among buying-readers who are logical prospects for the merchandise on sale in Cleveland's stores.

To those who wish to confine their selling where a profit can be made from sales this newspaper delivers a saturating coverage that begets volume, *black ink* on the profit ledger.



International Magazine  
Corp.'s "The Cosmo-  
politan Market"

# The Cleveland Press

A Scripps · Howard Newspaper

NATIONAL ADVERTISING  
DEPARTMENT OF  
SCRIPPS · HOWARD  
NEWSPAPERS  
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED  
PRESS . . . OF THE AUDIT  
BUREAU OF CIRCULATIONS  
and of  
MEDIA RECORDS, INC.

CHICAGO · SAN FRANCISCO · LOS ANGELES · DALLAS · DETROIT · PHILADELPHIA · BUFFALO · ATLANTA

# Launching an Industrial Product in a Prejudiced Market

BY HERBERT KERKOW

**W**HEN the American Pulley Company, manufacturers of pressed metal industrial equipment, brought out a new steel hand truck in June, 1926, both the product and the selling policy shattered many traditions.

They had been seeking a product with large potential sales volume—with an opportunity for improvement of design and construction through better engineering and the applications of pressed metal.

A canvass of the possibilities indicated that the hand truck presented such an opportunity. Though used by countless industrial and commercial establishments, hand trucks had been rated as "common folks" among handling implements and relatively little attention given to their improvement or development.

Previous to this time, the various brands of hand trucks had differed little in appearance and hardly more in capacity for work and length of service. All were built principally of wood, and along more or less standard lines. In fact, truck manufacturers purposely attempted to copy to minute details, the appearance and construction of their competitors' models, so that as little difference as possible would stand in the way of the substitution of their trucks when some customer asked his dealer for "two more like the last ones we had."

To be sure, one or two heavy cumbersome, metal trucks, improvised from standard pipe sections and joints had made their appearance on the market. When stevedores refused to use these employers shunned the innovation, truck manufacturers labeled the venture "foolhardy," and truck manufacture settled down once more to its old abhorrence of individuality or change.

In the face of this adverse trade opinion on improvement, the Amer-

*Carefully planned advertising sought to identify the American Pulley product in a field where buyers and users had not been accustomed to identified merchandise.*

ican Pulley Company, knowing little about the age-old traditions of the truck business but much about the needs of modern truck users, decided to produce a scientific, wear-resisting implement of distinctive appearance and performance, with patented features and with such individuality that, for the first time, it would be possible to apply national advertising and modern merchandising methods.

They slashed through the several hundred different types of trucks—the result of a half century accumulation of patterns, many of which were originally produced for highly specialized purposes, and subsequently carried at a loss to both manufacturer and dealer. They standardized the most popular dimensions, shapes, features into a line of thirteen models and variations to serve practically every hand truck need. This standardization permitted manufacturing economies resulting in greater value to the consumer, and permitting dealers to carry the complete line in stock, without sizable money or space layout.

The American Pulley Company designed their pressed steel hand truck of steel throughout, with each part die-pressed. To make the American truck's identity widely known, it was advertised in the business papers of its chief markets and in one large national weekly for a blanket coverage of a great number of smaller volume,



## KNOWN VALUE

Pressed Steel, Shafting Pulleys, Hangers, Hand Trucks, Miscellaneous Stampings, Spruolite, (Compressed Spruce) Motor Pulleys, Machine Pulleys.

AMERICAN Trucks have taken the guesswork out of Hand Truck buying. They are built entirely of pressed STEEL—a material whose superior endurance is familiar to everyone. Their scientific design embodies only the most approved engineering principles governing structural strength and balance... permitting great strength with light weight, long life, ease of handling.

15 standardized models serve practically every hand truck need. Write for illustrated catalog and ask about the special money-back trial offer.

THE AMERICAN PULLEY CO.  
4200 Wissahickon Ave., Philadelphia, Pa.



yet desirable, mercantile and industrial users whom it would have been impractical to attempt to reach through specialized business periodicals.

Distribution was planned through jobber channels, and as a great many suitable mill supply distributors for the truck were already handling other American products, it was only necessary to add to that number to provide the more intensive coverage required for proper representation throughout the country.

Then to the railroads, terminals, steamships, cotton compresses, express companies, chain stores, department stores, packing houses, manufacturers and the one thousand and one other users of the hand truck, the American Pulley Company advertising and sales effort presented the hand truck's qualities in terms of cost economy.

To substantiate its claims, the American Pulley Company offered to refund the purchase price of the hand truck if the buyer became dissatisfied. This offer was a sound stroke of merchandising, since not one truck sold on the money-back guarantee has ever been returned.

To make the stevedores boosters of American hand trucks, it was advisable to win their confidence subtly. Remembering the bunglesome iron trucks, stevedores were hesitant, at first, to try out the new Americans.

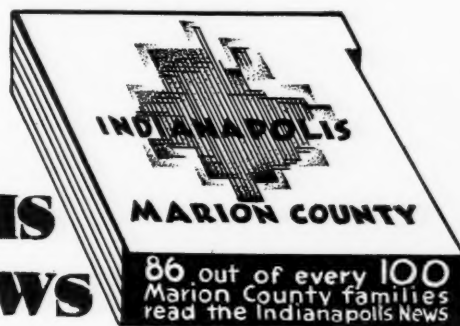
(Continued on page 67)



Since  
the  
1920  
Census

...the population of Marion  
County (including Indianapolis)  
has increased **20.7%** the circula-  
tion of the Indianapolis News in Marion County  
has increased ..... **33.3%**

*The*  
**INDIANAPOLIS**  
**NEWS**



*sells* **The Indianapolis Radius**

Member of the 100,000 group of American cities

New York: DAN A. CARROLL  
110 East 42nd St.

DON BRIDGE  
Advertising Director

Chicago: J. E. LUTZ  
Lake Michigan Bldg.



# The Market Wouldn't Budge Until We Tried Premiums

**D**URING the last four years, we have tried several different sales appeals in an attempt to break the Pacific Coast market. Each campaign has failed to produce lasting results. An analysis showed that we did not receive proper returns because our campaigns did not sufficiently distinguish our product from three nationally advertised competing brands.

In our last large advertising campaign which started January 15 this year, we sought a means to differentiate our product from those of our competitors. A special premium was offered during the campaign. This was followed by the use of a full stock of premiums, though none of these was individually featured in advertising. Subsequent advertising campaigns are intended to limit themselves to emphasizing the qualities of the product. A four-quart aluminum cooking pot, redeemable for eighteen large and thirty-six small Alpine Milk can labels, was the special premium.

Before The Nestle Food Company purchased the business much Alpine Milk distribution was obtained by price concessions. Although the price to the consumer was in line with that of the three national competing brands, the price to the wholesaler depended upon the distribution he could promise. By this means, distribution averaged about 70 per cent. Yet lack of consistent and strong advertising slowed consumer acceptance so that the product was moving less rapidly than nationally advertised competition. This was a vicious circle that the previous advertising campaign did not break. As far as an increase in consumer sales was concerned, Alpine Milk might just as well not have advertised at all.

With the premium offer advertised strongly this circle has been broken and consequent consumer acceptance to the extent of more than 1,000 inquiries weekly for the premium catalog and redemption of coupons, is moving the product off the retailer's shelves.

The premium offer gives Alpine Milk salesmen something tangible to talk about. They no longer squawk

Faced with the problem of finding a method for breaking into the Pacific Coast market against the entrenched competition of three nationally advertised competitors, the Nestle Food Company finally crashed through with a plan which interlocked premiums and a localized advertising campaign.

BY H. B. CONSELYEA

*Manager, Milk Department, Nestle Food Company, Inc.  
New York City*

for price reductions in the product, because prices are standardized. They are not merely selling another milk in a market that has already three outstanding national brands. They have something with which to counter the retailer's refusal to take on another brand. The result is that they have increased distribution.

With the premium offer retailers have a real reason for keeping Alpine Milk display material in sight. A check-up was made three weeks after the campaign commenced. It showed that very few retailers had removed the display card from the window or the counter card and sample of the cooking pot premium from their counters.

The campaign introducing the premium offer used four media. Radio broadcasting through four stations reached the consumer one morning each week as part of a home economics hour. Newspaper advertising in eighty-five newspapers was spotted throughout the Pacific Coast area. Copy twice a week told that Alpine Milk offered a premium and suggested immediate action. Three-sheet posters near retail stores told about the premium offer. Window cards, counter cards and throw-aways gave immediacy to all the other forms of advertising.

Two crews of salesmen operated in the big cities first and then traveled the in-between outlets until every retailer of importance had been covered. Orders thus stimulated were turned over to the jobber. Each salesman who traveled by car carried with him

a full complement of display material which he installed immediately upon making a sale.

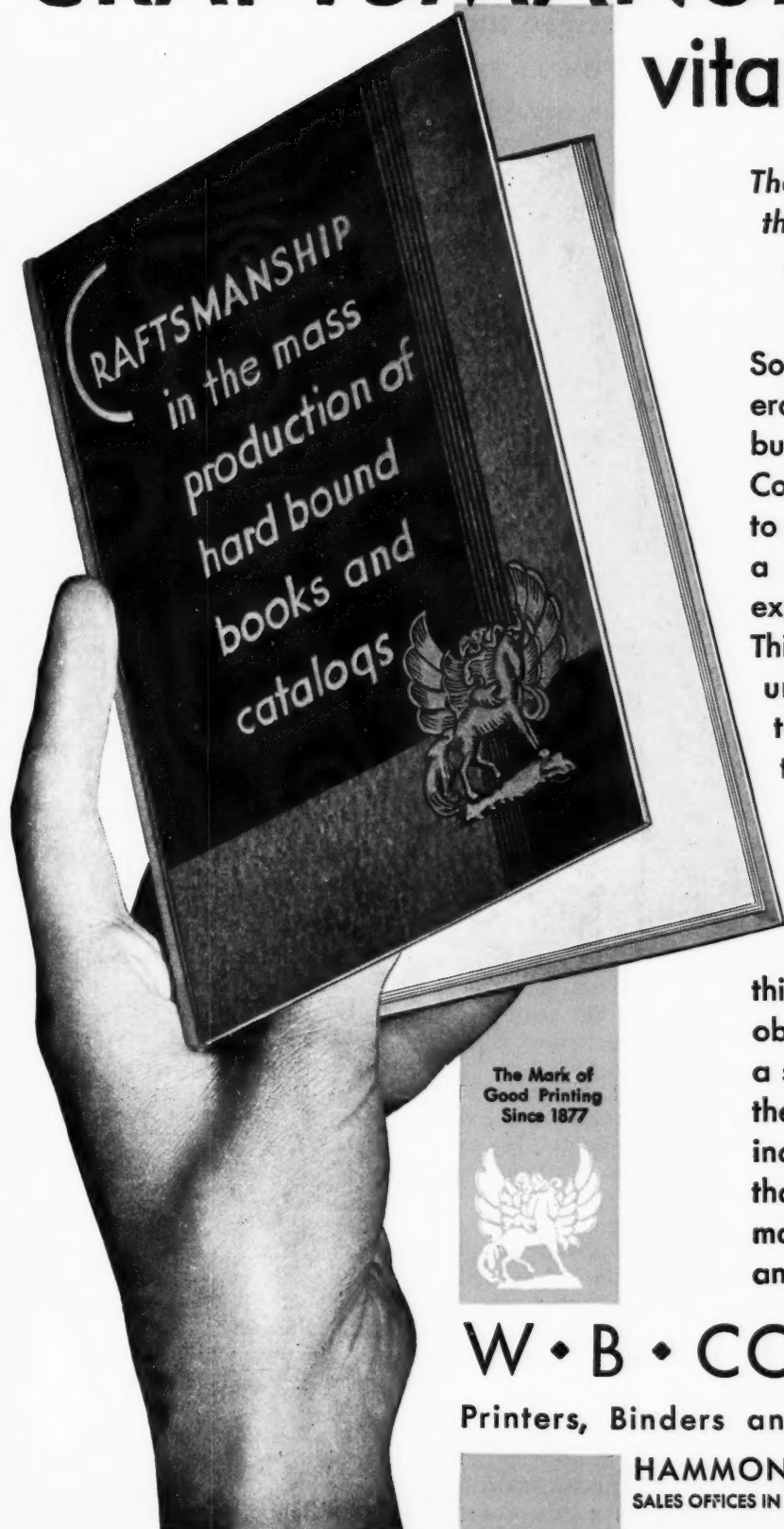
A premium depot was opened in San Francisco covering the premium redemption by personal contact or mail order for the whole Pacific Coast. A San Francisco newspaper advertising campaign heralded the opening of this premium station and also served to announce the premium offer.

Over the radio and in newspapers, consumers were urged to send for a catalog listing 275 premiums in addition to the special premium. Inquiries averaged more than 1,000 a week.

On the Pacific Coast, the consumer is not premium-minded. The local grocery association passed a resolution last year against premium offers. However, their disapproval was directed toward its abuse. Consequently, before the campaign opened, the grocery group was asked to pass on the premium offer of Alpine Milk. This they did readily because it did not put the burden on the retailer. Redemption of the premium is not left to the dealer, but is handled entirely by the Nestle Food Company. Therefore, the premium serves the retailer as an aid in making sales with no additional trouble.

Roy M. Hagen, managing director of the Western Cattle Marketing Association, has resigned to become assistant general manager of the Sun-Maid Raisin Growers' Association, Fresno, California, succeeding L. R. Payne. It is believed that Mr. Hagen may be appointed later to succeed Carlyle M. Thorpe, head of the Sun-Maid Association, whose term expires January 1.

# in your Literature as in your Business **CRAFTSMANSHIP** is a vital factor!



*The New Booklet, "Craftsmanship in the Mass Production of Hard Bound Books and Catalogs" will be sent you without obligation.*

So great has been the interest generated in favor of more efficient business literature, that the W. B. Conkey Company felt called upon to provide the business man with a more complete and adequate explanation of the true meaning. This booklet sets forth in a simple understandable manner the factors governing the mass production of hard bound books and catalogs . . . a presentation of facts which every sales executive should have at his finger tips.

You may have your copy of this booklet . . . without the slightest obligation on your part. It is itself a splendid example of the Conkey theory of craftsmanship . . . It is truly indicative of the type of literature that the new order of business demands. Simply tear out this page and attach it to your letterhead.

## W • B • CONKEY CO.

Printers, Binders and Book Manufacturers

HAMMOND, INDIANA  
SALES OFFICES IN CHICAGO & NEW YORK

# Can Small Business Compete with Big Business in Exporting?

**W**HEN so-called Big Business goes overseas in a great big way, it does not shut out the smaller American manufacturer. It opens the door of opportunity to him.

First, because General Motors, General Electric, Ford and others sell the idea. They educate the market.

When General Motors send "rolling kitchens" through the interior of South America, traveling service stations to educate dealers, they are helping the entire automobile industry. Frigidaire's ambitious overseas programs have sold more than Frigidaires.

As Big Business increases its selling pressure overseas it opens up more and more branches. Then the importing distributor is either dropped or his margin curtailed. Friction often develops. The importer says, in his own language, you do not love me in December as you did in May. So a good many divorces are being handed down between Big Business and Big Importers.

## Importer Weds Competitor

The importer does not, as a rule, go out of business—although one did amid alarms and discussions of commercial war. He usually takes up the line of some smaller manufacturer—often a lucky break for somebody.

For in the competition between American branches and local merchants the advantages are not all on one side. The local merchant has initiative, independence, local friendships and connections, knowledge of the market and the people, the ability to make quick decisions. And he is working for himself.

The American branch is alien, dependent, foreign, something of an interloper, managed by a salaried employe. It must make up in sheer efficiency for those disadvantages.

Here is what happened in one country where one of the most talked about of these commercial divorces occurred while I was in that market. An importer who began with a shoe-string when automobiles were being exported at the rate of ten a day has handled one car so profitably that he is now a millionaire.

The makers opened a branch in his

country. Then came the break and the importer switched to another car, made by a smaller company. The year after the change total car sales in the market increased by 42 per cent. But sales of the Big Business car fell off 18 per cent. The distributor sold only 47 per cent as many cars as he did before the switch, but he increased the "independent" car's sales by 446 per cent. Conditions in that market may have been exceptional because of that particular distributor's prestige, but partly because of similar switches that same manufacturer increased his entire export trade over 100 per cent that year.

Many importers prefer to deal with smaller companies. They do not wish to find themselves in the position of being supplanted some day by a local branch.

Besides, business abroad is more personal than here, less bureaucratic, and many prefer to buy from people nearer their own size, to meet as peers of equal rank.

The big importer is apt to be a pretty substantial citizen and one who values himself accordingly. Big companies are unfortunately sometimes represented by very small men.

Besides educating the public and besides turning loose some splendid distributors, Big Business does another thing that smaller manufacturers may capitalize.

It does a lot to educate the merchants abroad to better selling methods. Business overseas is so individualistic that scientific selling has a lot of skepticism to overcome. The merchant is apt to say, "That may work in Chicago, but this market is

different." (All markets are different.) I remember one case in South America where a manufacturer put in an intensive plan. The importer told me while we were bound for New York that the plan was impractical for his market. Actually it increased his sales by 40 per cent.

As these methods are introduced by American branches, for instance, the alert local merchant sees their value. Then the skeptic becomes a convert. And like the Merchant of Venice, he sometimes betters the instruction, by adopting local modifications appropriate to the market.

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## Nation-wide Exhibits to Boost Direct Mail

To obtain the fifty best direct-mail campaigns in every section of the country and to exhibit them before advertising clubs, colleges and business associations, the Direct-Mail Advertising Association is now forming an educational committee under the direction of George W. Ward of Philadelphia, a former director of the association. The exhibit will be presented with talks by advertising men before the various organizations to stimulate the use of this medium. Twelve sets of each campaign are to be submitted in order that the original exhibit can be duplicated in various parts of the country. It will first be shown at the Direct-Mail Convention at Milwaukee, October 1-3.

Campaign should be sent to the Graphic Arts Division, D. L. Ward Company, 28 South Sixth Street, Philadelphia, before August 1.



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**—and in Los Angeles  
the Chain Grocery  
Stores are carrying  
more Advertising in  
one newspaper than  
in all of the other  
five Los Angeles  
papers COMBINED.**

**That newspaper  
is the**

**LOS ANGELES  
EVENING HERALD**

*Representatives*

New York  
**HERBERT W. MOLONEY**  
342 Madison Ave.

Detroit  
**RAY MILLER**  
General Motors Bldg.

Chicago  
**JOHN H. LEDERER**  
326 Madison

San Francisco  
**A. J. NORRIS HILL**  
Hearst Bldg.

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## Sales Managers' Association

# NEWS

This department, devoted to association news, appears often in SALES MANAGEMENT. Believing that the various groups of sales executives will find the activities of clubs all over the country of considerable interest, club presidents are requested to send reports of meetings and other news to this magazine regularly.

### Charles E. Michel Heads St. Louis Bureau

Charles E. Michel, general sales manager, Union Electric Light & Power Company, was elected president of the Sales Managers' Bureau of St. Louis, at its annual election of officers. Mr. Michel, formerly vice-president, succeeds "Hi" Martin, who was feted at the last regular meeting of the club before opening the summer sessions. The new vice-presidents are: O. D. Norwine, vice-president, Norwine Coffee Company; and E. S. Sieber, sales manager, National Lead Company. Frank D. Beardslee, Mercantile Bank & Trust Company, was re-elected treasurer, and Andrew G. Munegast continues in his office as director of the bureau.

The following new directors were also named: D. L. Boyer, sales manager, Provident Chemical Works; E. G. Brinkman, sales manager, Phelan Faust Paint Manufacturing Company; Louis S. Freund, vice-president, Walter Freund Baking Company; Henry P. Krallman, sales manager, Pioneer Cooperage Company; G. T. Lehmberg, manager, Parke-Davis Company; H. J. Reinhardt, vice-president, Frank Adam Electric Company; T. M. Scott, vice-president, Corneli Seed Company, and G. C. Stevens, branch manager, Diamond T Motor Car Company. The average attendance at the St. Louis club's meetings during thirty-five weeks was 197, Mr. Munegast reports.

### Los Angeles Club Elects Officers

Ralph Brubaker, of Haas-Baruch & Company, was elected president of the Sales Managers' Association of Los Angeles at a recent meeting. First, second and third vice-presidents are: H. L. Herlihy, Barker Brothers; R. J. Smith, Hardee Manufacturing Company; H. S. Waplington, Southern California Stationers. Harrison Matthews, Woodbury College, is secretary and treasurer.

Following are the directors of the Los Angeles club for the ensuing year: W. G. Scholts, Scholts Advertising Service; Lou Coffey, Bly Stone Company; V. G. Freitag, Radio Station KMTR; Henry Hoffman, Southern California Supply Company, and H. A. Ecclestone, Remington Rand Company.

### Practical Discussions at St. Louis Round Table

Methods of increasing profitable business were discussed at the second round table meeting of the St. Louis Sales Managers' Bureau, with Charles E. See, sales manager, Shelton Hat Company, leading the discussion. Round table meetings are being substituted for the regular weekly meetings of the bureau during the summer months.

These meetings are very informal, the leader of the discussion taking only eight minutes to present the topic for discussion. The discussion takes place in twenty-two minutes. D. Hearsh is chairman of the committee responsible for the round table meetings. The first meeting, at which increased profit on a lower sales volume was discussed, was attended by fifty-nine sales executives. This discussion was led by J. C. Toy, division manager, American Multigraph Sales Company.

### Active Organization in Springfield

Springfield, Massachusetts, has an active Sales and Advertising Managers Club, William B. Remington, head of an advertising agency, has reported to SALES MANAGEMENT. Its officers are J. E. Redman, sales manager, automotive division, American Bosch Magneto Corporation, president; A. H. Sampson, director of sales promotion, White & Wyckoff Company, Holyoke, Massachusetts, vice-president; and J. J. Slein, sales development manager, Graton & Knight Company, Worcester, secretary and treasurer.

### Canada and France Form Sales Manager Groups

Two new sales managers groups—Canadian Sales Managers' Association and the Association Amicale des Directeurs Commerciaux de France—have just been projected. The Canadian association, modeled on the lines of the Incorporated Sales Managers' Association of Great Britain, held its organization meeting in Toronto recently, under the direction of A. B. Wakefield of the Canadian Roneo Company.

The aim of the French organization is to defend the interests of sales manager and the press. A council has been appointed and an organization covering thirty-one cities in France established.

### Houston Executive Desires Club There

Donald Rein, of the Rein Company, Houston, Texas, has written to SALES MANAGEMENT seeking information on forming a sales managers' association in his territory. Any sales executives of Houston or the surrounding territory who are interested in organizing a club are requested to write to this magazine, which will offer any possible assistance in such a venture. Galveston, Beaumont and other large towns in the vicinity of Houston should furnish a number of interested sales executives for the Houston club, and we hope, with Mr. Rein, that fall will see an active sales managers' club in that territory.

### Rochester Sales Managers Display Products

A display of a Rochester product, or one represented by membership in the Rochester Sales Managers' Club, is one of that organization's activities. This display, which is set up weekly in the lounge of the Rochester Chamber of Commerce, has brought favorable comments from many Rochester business men.

## Start "Moth Insurance" to Stimulate Sales of Cedar Chests

"Moth insurance" as a means of increasing sales was announced at a dinner given to several hundred furniture dealers in Chicago this week by the Lane Company, Altavista, Virginia, manufacturer of cedar chests. The plan was originated by E. H. Lane, president.

Every Lane cedar chest will carry a five-year insurance policy guaranteeing the owner against moth damage to garments kept in the chest, Mr. Lane explained. Policies will be written in sums of \$250, \$500 and \$1,000, depending upon the price of the chest. The policy will not accompany the chest, but will be sent to the buyer after the return of the postcard tacked inside the cover.

The policy must be asked for within two years of the time the chest leaves the factory and within thirty days after purchase from the retailer.

Henri, Hurst & McDonald, Inc., Chicago, is handling the advertising.

## Richfield Tells Dealers with New Oil Talkie

To reach its thousands of dealers scattered throughout the country, the Richfield Oil Company, Los Angeles, has made a talking picture to dramatize its methods.

The film, "Service Wins Again," was produced by Metropolitan Sound Studios, Hollywood; its principals are comedy stars of the screen and the plot tells of the difficulties of a partnership service station with little dealer cooperation.

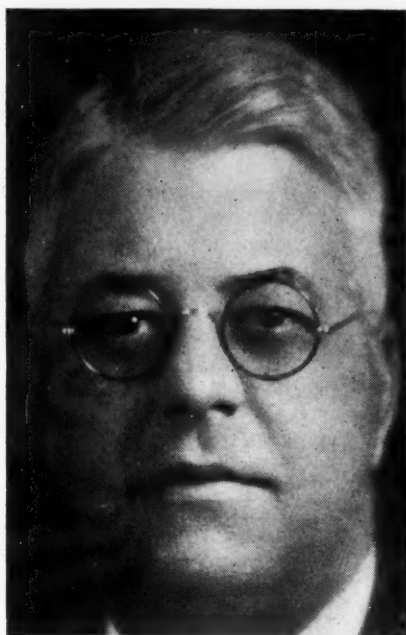
It will be shown in theatres in every section of the country.

## Peoria Promotes Position as Second Illinois City

Coincident with the Census Bureau announcement that Peoria, with a population of 105,180, is now the second city of Illinois, the *Journal-Transcript* there has issued a special edition of eighty-eight pages. Peoria's manufacturers—among them Caterpillar Tractors and Altorfer Brothers, makers of the ABC washing machine—are doing a larger and more profitable business than ever before.

## Kerr-McCarthy Moves

Kerr-McCarthy Advertising Service, Inc., New York agency, is now located at 10 East Fourth Street.



*Mason T. Rogers, the new vice-president in charge of merchandising of the Multibestos Company, Walpole, Massachusetts.*

## Fills New Merchandising Office at Multibestos

Mason T. Rogers has been appointed to the new position of vice-president in charge of merchandising of the Multibestos Company, Walpole, Massachusetts.

Connected with the automotive industry for nearly twenty years, Mr. Rogers in 1919 organized the Burton Rogers Company as the sales department of the Hoyt Electrical Instrument Works. More recently he went into the equipment field with "B & R" battery chargers and other electrical devices.

## Inaugurate Laboratory for Window Displays

In an endeavor to answer precisely such questions as the attractiveness of window displays from the public viewpoint, and the number of combinations possible with a given number of pieces, Bauer & Black, division of the Kendall Company, Chicago, has inaugurated a "window display laboratory," in the form of a permanently built model drug store front—permitting displays to be installed under the exact conditions obtained in the average drug store. The front has two large bays with plate glass windows and the usual lighting equipment.

## Dictaphone Recruits College Graduates for Its Sales Force

The Dictaphone Corporation, New York, inaugurated this week its fourth annual course of training for recent university graduates who have been chosen to become members of its sales organization.

This year the graduates have been selected by Bevan Lawson, executive sales manager, from Boston, Columbus, Holy Cross, Harvard, Michigan, Northwestern, Ohio State, Pennsylvania, Pittsburgh, Wisconsin and Yale universities. Many other schools were visited without choice being made. The student salesmen reported this week at the company's factory in Bridgeport, Connecticut, and the course will continue until January 1 of next year.

The first two months will be spent in Bridgeport, under the instruction of teachers connected with both the sales and manufacturing departments.

Bevan Lawson, whose picture appears on the cover this week, has been elected president of the New York Sales Managers' Club for the ensuing year. He succeeds Elon G. Pratt, general manager of the Smokador Manufacturing Company.

Other officers are: Oliver Benz, du Pont Cellophane Company, vice-president; George N. Ackerman, Doughnut Machine Corporation, treasurer, and Carol Lytle, Dictaphone Sales Corporation, secretary.

The board of governors is composed of these four officers: J. R. Brundage, White & Wyckoff Manufacturing Company; F. H. Dickison, Peck & Sterba; R. D. Keim, E. R. Squibb & Sons; Mr. Pratt and Dr. Paul H. Nystrom of Columbia University.

## Machine & Metals, Inc. Elects Woodbridge

C. King Woodbridge, head of the industrial division of Prince & Whiteley, New York bankers, former president of the Kelvinator Corporation and of the Dictaphone Corporation, has been elected to a similar position with the Manhattan Electrical Supply Company, New York, the name of which has just been changed to American Machine & Metals, Inc. Mr. Woodbridge is chairman of the Provisional Council of the International Advertising Association, a former president of the association and of the Advertising Club of New York.



## Furniture Houses Form \$20,000,000 Merger; to Sell Nationally

Furniture companies with combined assets of \$20,000,000, combined annual sales of \$10,000,000 and twenty manufacturing plants in Pacific Coast cities, have united to form the Furniture Corporation of America, Ltd., with headquarters in Portland. The companies will function as self-contained units under the joint supervision. Nation-wide distribution is planned.

Harry A. Green, president of the Doernbecher Manufacturing Company, Portland, oldest and largest of the group, is chairman and president; William A. Healy, Portland Manufacturing Company and Healy Brothers, Portland and Spokane; F. H. Gillespie, Gillespie Furniture Company, Los Angeles and Oakland, and C. E. Dye of Portland, vice-presidents, and E. S. Beach, secretary-treasurer.

Officers and warehouses will be established in seventeen cities, from Dallas and Denver to Vancouver, British Columbia and Honolulu. Present sample rooms of the companies will also show products of the other members. Distribution will be through established furniture stores.

## Northwest Creameries Form Marketing Agency

Cooperative creameries in southwest Washington and Oregon have formed Interstate Associated Creameries, a central sales agency, for the concentrated marketing of creamery products along the Pacific Coast and in other parts of the country. Thomas L. Ohlsen of Eugene, Oregon, is president; K. C. Pool, Portland, vice-president, and A. E. Engretsen, Astoria, Oregon, secretary-treasurer.

While all creamery products are to be handled through the association, the leading commodity will be butter produced by the members who have formed this association along the lines suggested recently by the Federal Farm Board and in compliance with the Oregon cooperative statutes.

## New Catholic Magazine

The Catholic Daughters of America, New York, has inaugurated *Woman's Voice*, a monthly magazine to supplant the former *Monthly Herald*. Under the editorial supervision of the Right Rev. Bishop William J. Hafey, D.D., of Raleigh, North Carolina, the magazine will have a circulation of 235,000 among members and junior members of that order.



*Arthur E. Nafe, who has become manager of advertising and sales promotion for Reo Motors.*

## Heads Sales Promotion for Reo Motor Cars

Arthur E. Nafe, formerly regional sales manager and home office executive of the Willys-Overland Company, has been appointed manager of advertising and sales promotion for the Reo Motor Car Company, Lansing, Michigan.

Previously connected with Dodge Brothers in sales and service capacities, Mr. Nafe has had extensive newspaper experience and has also conducted his own advertising agency.

## Amos Parrish to Hold Fashion Clinic July 21

Amos Parrish & Company, New York, will hold its semi-annual fashion clinic for department store executives in New York, July 21-24.

Among the subjects to be discussed will be the length, material and colors of dresses and coats for fall and winter, bags, novelty jewelry, fur coats, shoe styles and hats. Three special group meetings are planned.

The clinic costs \$200 a seat.

## National Process Moves

The National Process Company, Inc., lithographer, has moved its headquarters to the Holland Plaza Industrial Building, 75 Varick Street, New York, where it will occupy nearly two full floors.

## College Ad Men to Meet

The annual convention of Alpha Delta Sigma, national advertising fraternity, will be held at the University of Washington, Seattle, October 3 and 4.

## Radio Program to Start a National Farm Home Modernization Plan

Thirty-eight stations affiliated with the National Broadcasting Company will be employed by the American Farm Bureau Federation beginning September 27 in a program for modernization of farm homes. The program will dramatize "The Transformation," a motion picture prepared by the National Lumber Manufacturers' Association, which is cooperating in the program.

The association estimates that there are 4,000,000 farm homes in the United States in need of remodeling and repairing, and that on the average each of these could use 2,000 feet of lumber, or 12,000,000,000 in the aggregate. In addition, new buildings needed would call for ultimate use of 150,000,000,000 feet more. "The Transformation" is concerned with the actual remodeling by the National Lumber Manufacturers' Association of a seventy-year-old farmhouse near Elgin, Illinois.

The association will also conduct an ideal farm home contest, developments in which will be featured serially in the *Bureau Farmer*, published by the federation.

Other large groups, including the National Electric Light Association, are also expected to join the movement.

## Promote "Free Wheeling" on New Studebakers

"Free Wheeling," eliminating the "reversional strains thrown on tires, rear axle, universal joints, clutch and transmission of an automobile when the foot is lifted suddenly from the throttle," was announced this week by Studebaker Corporation of America in a national advertising program.

The new method is said to be especially effective in heavy traffic and on hills, resulting in a saving of 12 per cent in gasoline and 20 per cent in oil.

It is a feature of Studebaker's new series of President and Commander Eights.

## Change Dry Goods Economist

*Dry Goods Economist*, published by the textile division of the United Business Publishers, Inc., New York, started its eighty-fourth year this month in a new form and with enlarged scope. Changing from a weekly to a monthly, the new publication will be devoted to merchandise, merchandising, service, sales and finance in the department and dry goods field.

Economical Coverage\*  
of  
Wealthy Buying Power\*\*  
for  
Quality Products

—that, in a nutshell, is what is offered by

**THE ANTIQUARIAN**

*Edited and published for the cultured American*

¶ The collecting of antiques is the avocation of America's most wealthy and prominent families. ¶ These people pay thousands of dollars for articles which they *want*. ¶ If you are the manufacturer of high grade quality products there is no better way to put over your story than through the pages of this publication.

\* ECONOMICAL COVERAGE—BUT \$200 PER PAGE.

\*\*WEALTHY BUYING POWER— Certified public accountant's statement shows over 50% of new subscriptions in month of March were from the Social Register.

*Further Particulars Upon Request*

**THE ANTIQUARIAN**

420 Lexington Avenue

New York City

## Account Changes

WESTERN CLOCK COMPANY, La Salle, Illinois, to Batten, Barton, Durstine & Osborn, Inc.

HOSIERY DISTRIBUTORS' INSTITUTE, New York City, cooperative organization of manufacturers, to the Arthur Rosenberg Company, Inc., of that city.

E. R. SQUIBB & SONS, New York, Lenthic perfumes and cosmetics, to Benton & Bowles, Inc., there.

PENN HEAT CONTROL CORPORATION, Philadelphia, and BRADLEY KNITTING COMPANY, Delavan, Wisconsin, to N. W. Ayer & Son.

BRITISH TOLEDO SCALES COMPANY, LTD., London, to Erwin, Wasey & Company, Ltd., there.

ZUNDAPP COMPANY, Berlin, motorcycles, to Erwin, Wasey & Company, Ltd., there.

FIRESTONE FOOTWEAR COMPANY, Boston, to Ingalls-Advertising of that city.

HOOKLESS FASTENER COMPANY, New York City, to Dorrance, Sullivan & Company, Inc., there.

PRESIDENT SUSPENDER COMPANY, Shirley, Massachusetts, to Ingalls-Advertising, Boston.

EDWARD SMITH & COMPANY, Long Island City, New York, marine paints and varnishes, to Reimers & Whitehill, Inc., New York City.

MULLINS MANUFACTURING CORPORATION, Salem, Ohio, Boat and General Stamping divisions, to the Cramer-Krasselt Company, Milwaukee.

HEATING MAINTENANCE CORPORATION, New York City, distributors of Combustioneer—automatic stoker, to Cleveland & Shaw, Inc., there.

PAROMA TEXTILES, INC., New York, new type of ready-draped sectional hangings, to Louis H. Frohman, Inc., of that city. Trade papers and direct mail for the present. Magazines later.

AMERICAN MUTUAL LIABILITY INSURANCE COMPANY, Boston, to N. W. Ayer & Son there.

THE EMILY SHOPS, New York, ready-to-wear, to the Grey Advertising Service, Inc., there.

### An Account Change Error

In the June 21 issue of SALES MANAGEMENT appeared an item referring to the appointment of Critchfield & Company to direct the advertising of the National Salesmen's Training Association. This was an error. The account will continue to be handled through the Chicago office of Ruthrauff & Ryan, Inc.

## Time Payment to Aid Buying by Farmers Started by Ward

To "stimulate consumer buying," particularly on the part of the farmer, Montgomery Ward & Company, Chicago mail order house, announced this week plans to sell all of its merchandise except groceries on a time payment basis. The plan will be operative from now until September 15, George B. Everitt, president, said.

Although wheat on the farms is now worth about seventy-five cents a bushel, it was explained, by September 15 it will probably be worth \$1.00 or \$1.25. By its new policy, Montgomery Ward helps to overcome deferred buying.

Ten million announcements were sent out to customers and prospects this week and the new policy will be advertised in 650 newspapers.

## Edward Lyman Bill Joins Three Radio Magazines

Edward Lyman Bill, Inc., New York, announced this week the formation of Radio Digest Publishing Corporation, which has purchased *Radio Digest* of Chicago, *Radio Broadcast*, formerly published by Doubleday, Doran & Company, and *Radio Revue* of New York. These three publications will be merged effective with the September, 1930, issue under the name of *Radio Digest* which will be edited as a national magazine for the American radio public.

Edward Lyman Bill, Inc., through one of its subsidiaries, is now publishing *Talking Machine World & Radio-Music Merchant*, the largest and oldest business paper serving the radio-music industry.

## Cincinnati Times-Star Plans Skyscraper Home

A fifteen-story tower building will be built soon by the Cincinnati *Times-Star* at Broadway and Eighth Street, there, to house all of its departments. The first six floors will be devoted to publishing purposes, the remainder will probably be rented for offices. The *Times* has been published since 1840, the *Star* since 1872.

## United Cigar to Move

United Cigar Stores Company of America will move its executive offices soon to the new Plaza Building at Madison Avenue and Fifty-eighth Street, where it will occupy the sixth and seventh floors.

## Gossip

PETER MICHELSON has been appointed advertising manager of the Bank of Italy, San Francisco, to succeed FRED R. KERMAN, who has become vice-president and assistant to L. M. GIANNINI, president of its affiliated Transamerica Corporation. Prior to joining Bank of Italy two years ago, Mr. Michelson was a reporter for various newspapers. . . . H. A. KOEHLER, a member of the service department of the General Outdoor Advertising Company, has joined the sales department of McCandlish Lithograph Corporation, Philadelphia, at its Western offices in Chicago. . . . FRANK A. ARNOLD, director of development of the National Broadcasting Company, will deliver a series of lectures on broadcast advertising at the School of Commerce of the College of the City of New York, beginning in September. . . . Franklin Wear Company, lingerie, Boston, has transferred several executives: J. H. LONG from Southern division manager to Eastern Atlantic Coast manager; A. V. RIDLEY to Middle Atlantic states division manager, and R. J. HAMPTON to Southern New England division manager. . . . CLEVELAND A. CHANDLER, public relations counsel, is now with Morgan Advertising Agency, Boston. . . . RALPH H. QUINN, business manager of the Cincinnati *Post*, has joined the staff of GOVERNOR FLEM D. SAMPSON of Kentucky. He has been commissioned a colonel. . . . C. W. MCKAY has resigned from R. O. Eastman, Inc., market research organization, to become secretary of the plan board of Kenyon & Eckhardt, Inc., New York agency. . . . JUSTIN R. WEDDELL of Erwin, Wasey & Company, Ltd., is in this country on a month's visit before returning to Europe. . . . CHARLES B. ROTH has resigned as director of public relations of the Denver Chamber of Commerce to join the Denver office of the H. K. McCann Company. J. S. BARROWS is now manager of the McCann office there. . . . JULES LIPPIIT, for the last ten years executive art director of the Decorative Art Company, New York, has accepted a similar position with the A. D. V. Company there. GEORGE PEARLMAN has become head of the direct mail and advertising production departments and ARTHUR MYLES DUNBAR of the copy department. Mr. Pearlman held a similar position for thirteen years with Gimbel Brothers, New York department store, and Mr. Dunbar was advertising manager of the Kresge department store in Newark and of the McCreery store in Pittsburgh. . . . THOMAS STERCK of the William H. Rankin Company, New York agency, has joined the Eastern staff of Jam Handy Picture Service, at New York. . . . E. B. SPARR, previously with the McGraw-Hill Publishing Company and the J. Walter Thompson Company, has joined Erwin, Wasey & Company, Ltd., in its foreign department. . . . ARTHUR A. STARIN, formerly with the Hospital Specialty Company, has been appointed advertising manager for the Melrose Hospital Uniform Company, New York. . . . T. STRAN JONES has been placed in charge of sales at the St. Louis branch of the National Enameling & Stamping Company.



Telephone: CALEDONIA 4103

THE G. LYNN SUMNER COMPANY INC

*Advertising*

285 MADISON AVENUE  
New York

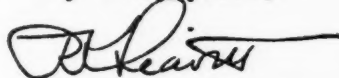
June 24, 1930

Mr. Raymond Bill, President.  
Edward Lyman Bill, Inc.,  
420 Lexington Avenue,  
New York, N. Y.

Dear Mr. Bill:

I want to tell you that I have just finished reading the latest issue of Sales Management and marking various articles for clipping for our data file. We make a practise of clipping and filing everything with real meat in it that comes our way. The latest issue of Sales Management has so many good things that I think with the exception of one article the entire issue has been split up for filing in separate places.\* You are to be congratulated on getting out a fine, worth while publication.

Very truly yours,



Secretary-Treasurer  
The G. Lynn Sumner Company

Robert K. Leavitt  
MP

\* *Incidentally, we carry a double subscription so that we can have two copies to cut up, thereby missing nothing.*

# Home at night... to a STATLER



When evening comes, and your body is tired and your nerves are frayed, it's a real comfort to get back to your Statler room and your own easy chair where you can relax with a book from the Statler library.

In addition, you have your own private bath — radio reception — a luxurious bed with a soft, inner-spring hair mattress and a bed-head lamp — full length mirror — circulating ice water — and, in the morning, a newspaper under your door.

You can be sure of these comforts in every Statler — and sure, also, of service by employees who are *trained*, courteous and helpful — of fair, fixed rates posted in every room — and your satisfaction guaranteed.

## HOTELS STATLER

BOSTON DETROIT  
BUFFALO ST. LOUIS  
CLEVELAND NEW YORK  
[Hotel Pennsylvania]

## A New Kink in Food Display Jumps Reid Murdoch Sales

(Continued from page 43)

jumped from a case every several months to several cases every week.

"So it is with canned hominy, seedless grapes, gooseberries, garden asparagus tips, tender little string beans and many other products. Almost any woman who can get up close and see what canned goods a merchant has in stock will find many things she never would have thought of buying. She sees what she wants and she wants what she sees.

"The plan saves a great deal of time in serving customers, because the customers can pick out what they want and practically serve themselves. A fairly large store might well dispense with the services of one clerk, if it were not for the increased volume which the plan brings in.

"This idea is also the best ever to popularize a brand. If for no other reason, women want Monarch because it is the only brand of canned goods displayed in this way.

### Builds Repeat Business

"This is of utmost importance to merchants, also. Many have been so interested in trying to meet chain-store prices, they developed a practice of buying job lots from every bargain source in the country, including all manner of brands. Then if they did happen to get hold of something good and customers asked for it again, they didn't have that brand. This plan popularizes a standard brand of quality goods on which they can build repeat business.

"It also helps them to meet chain-store competition because it provides them with something no chain store has or can get. The whole plan is so protected by patent that no one else can use anything closely similar to it, and we don't sell anything to chain stores.

"Installing such fixtures invariably makes a more attractive store, and it frequently leads to a complete remodeling. Many grocery stores have shelving built clear to the ceiling. In order to get the best results from these display jars, the brackets must be brought down where customers can get up close to them. It doesn't do any good to place them away up above their heads. Counters are in the way, too.

"The plan had been in use only a short time when we began to see that

it would be more effective in most stores if the counters were cleared out and new shelving were installed. We accordingly built a model store here at the main office and introduced a modest store fixture service. We also have an airplane and several specially-equipped trucks traveling about over the country to show merchants how to use the plan to the best advantage.

"We furnish a model floor plan free of charge and we have a young man who works with those merchants who request some assistance. Little assistance is needed, however, as the plan is very simple. The merchant can get the materials at his local lumber yard and any carpenter can put up the shelves.

"That is still another important feature of the plan and one of the big reasons for its success. It is inexpensive. We haven't spoiled it by recommending a lot of expensive fixtures that the average merchant can't afford. The expense is small, even if the store is remodeled, and it is sure to be covered in a short time by the resulting increase in sales.

### No Strings Attached

"Finally, there are no strings attached to the plan. We don't have any franchised dealers. There are no Monarch stores. We don't want any. Hundreds of dealers have asked the privilege of calling theirs Monarch stores, but we refuse them. To permit that would introduce a chain-store flavor or at least give the impression that we are sponsoring these stores. They are Monarch dealers, because they carry the Monarch brand, but they also carry as many other brands as they see fit. All we ask is that they stock at least ten cases of as many different Monarch products and use our display equipment only with Monarch goods."

Merely using the display brackets and jars really costs the dealer nothing at all. It has been found better, however, to remove counters and, in many cases, to install new shelving. The shelving recommended is six shelves high, with fifteen inches between the first and second and 10 inches between all others, a total of sixty-four inches from the floor, including the base. A display of goods is made on top of the tier of shelves. Display brackets are attached to five of the six

shelves of each section, one section being devoted to each Monarch product. Wooden shelves, enameled white or in colors, are recommended.

Where counters are removed, there is need of floor display fixtures, hence Reid, Murdoch have introduced metal display tables. It is said that these are sold to dealers at slightly less than cost.

The pickle rack was introduced partly for the same purpose and partly to stimulate the sale of bulk pickles. The rack holds four large, glass-topped, earthenware jars which keep the pickles good and looking good. The racks are also sold at slightly less than cost and if the dealer buys a specified quantity of pickles in a specified time, the amount he paid for the rack is refunded to him. The increased sales of pickles is said to have been phenomenal since these racks were introduced.

Reid, Murdoch first presented the display bracket plan through their salesmen, who were provided with samples and photographs for the purpose. Salesmen call on dealers at least once in ten days. They now continue to sell the plan by using a portfolio in which are photographs, labels of those Monarch products display jars of which are available, floor plans, and proofs of the company's national advertising.

They began advertising this plan in the trade press early in 1929 and are now featuring it in about twenty trade journals. They have also presented it a couple of times in the *Saturday Evening Post*, in which they are using eight inside back covers this year. They further support their independent dealers by advertising regularly in 946 local newspapers and in the *Christian Science Monitor*.

An airplane and eight or ten "Expando" trucks, equipped like model stores, are also being used to sell the display plan to dealers.

### Seeks Stockholder "Market"

In connection with the second quarter's dividend checks to the 40,000 stockholders of the Chrysler Corporation last week, Walter P. Chrysler, president, suggests them to stimulate sales by purchasing the corporation's cars. "The stockholders have it in their power to further in a very substantial way not only the corporation's progress," Mr. Chrysler said, "but also their own financial interest as owners of its securities."

### Austin Enters Canada

Coincident with the introduction of the Austin American car, the Austin Motor Company of England is entering the Canadian market through the formation of the Canadian Austin Car Company, Ltd., which will manufacture at Toronto.

# Autopoints Save Money for National Tea Co.



W. H. Burnett,  
office manager  
National Tea  
Co., Chicago

**Famous chain store organization standardizes on this better pencil**

**N**ATIONAL Tea Company adds another chapter to the romantic story of how Autopoint is helping American business to greater profits and economies.

This big chain store system buys Autopoints for use within its own organization. Some 2,500 members are supplied. Every retail store manager and every office employee from office boy up gets an Autopoint as part of his or her "standard equipment."

"We have proved to our own complete satisfaction that Autopoints effect a decided saving," says W. H. Burnett, Office Manager of the National Tea Co.

#### Tried all kinds

"We have tried all kinds of pencils; so I speak from experience. Wood pencils waste time; too much gossiping goes on around the sharpener. Cheap mechanical pencils prove expensive in the long run. The first two Autopoints I secured five years ago are still in use by me. That shows why I believe them to be the best pencil made."

Some firms use Autopoints as prizes. Others buy Autopoints to give away, imprinted with a firm or individual's name, to customers and prospects—a method of advertising proved efficient and economical. In one way or another, we know there is a way you can use Autopoints to advantage. Will you let us help you find it?

#### A complimentary pencil

To show you just what an Autopoint is, why users prefer it, we'd like to send you a complimentary pencil imprinted with your company name. There is no obligation whatsoever in this offer. Give us your firm name and address, your executive title and attach business card or letterhead, please.

**FREE**  
to Executives—an Autopoint Pencil imprinted with your firm name. See coupon.

**Autopoint**  
The "Better Pencil" Made of Bakelite

#### 3 Big Features

- 1 Cannot "jam"—protected by patent. But one simple moving part. Nothing to go wrong. No repairs.
- 2 Bakelite barrel, beautiful onyx-like, lightweight material.
- 3 Perfect balance—not "topheavy."

Autopoint Co., 1801 Foster Ave., Chicago

Attach business card or letterhead

For Executives Only

AUTOPOINT COMPANY  
1801-31 Foster Ave., Chicago, Ill.

S.M. 7-12-30

Without obligation, please send sample Autopoint, booklet, sales-building proposition, prices, etc.

Name.....

Firm.....

Address.....

Title.....



# Editorials

**A**SIREN THAT IS LOSING HER LURE: Business has entered the second half of the year with no definite clue to the future. Upon this point there is general agreement among the authorities. Disagreement is found only in discussion of present conditions. Looking to the major indices—railroad car loadings, bank debits, construction data, steel production, commodity prices, the use of power, and automobile production and sales—many observers conclude that the worst is over. Any change now, they believe, will be for the better. They expect decided improvement as soon as the fall season gets under way. More cautious opinion assumes a waiting attitude—waiting for developments that clearly indicate a turn of the tide. This opinion bides its time for stable, if not higher, prices; a larger movement of merchandise, more building of residences, greater demand for steel. Cautious business men, in short, have resigned themselves to the belief that the depression which began in 1929 was not the sequel to a mere speculative collapse but a world-wide retrogression, product of many antecedent causes, and that resumption of the forward movement will be slow in its early stages. In this attitude they view the future confidently but with patience. . . . The most encouraging sign of the times is the general disposition to reexamine fundamentals. On every side we hear of search for causes of profitless business. The whole structure of business is being subjected to an overhauling with a view to cutting out weak spots. The job may not be completed before the new season opens. But there is evidence of enough good work being done materially to lessen the chance of a false start under propitious conditions. The profitless sales siren has lost much of her lure.

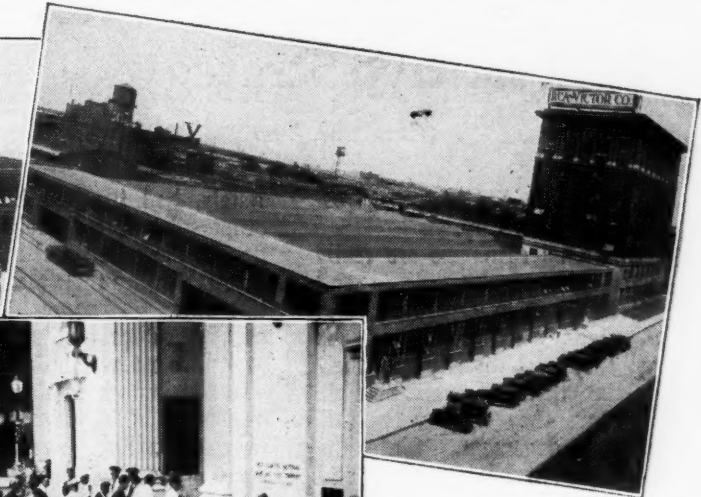
**A**DOUBLE-EDGED WEAPON: The sales tax, the weapon that has been forged to smite the chains, is proving to be two edged. As first conceived it was intended to fall upon the chains alone. The courts, however, refused to countenance discriminatory legislation. This led to the device of a graded sales tax of general application which reaches destructive dimensions only when volume is of the size attained by the large chains. This at least was the idea behind the Kentucky law. By the provisions of this law annual sales of \$400,000 or less are mulcted no more than one-twentieth of 1 per cent, leaving the ordinary retailer unscathed. His big competitor whose business is a million or more must pay at the rate of 1 per cent, thus offering the chain the alternatives of foregoing the low-price advantage or quit-

ting. Louisiana is considering a similar law and many other states are likely to follow suit, if the courts sustain the Kentucky law. . . . It now appears, however, that department stores are feeling the lash as well as the chains, and some of the independents are murmuring too. They are talking about the bad effect of the tax on the cost of living and the chance the state tax gives to mail order houses doing an interstate business. Whether this will lead to organized opposition to the sales tax remains to be seen. It is pretty certain to cause study of the sales tax principle, which in this country has not hitherto been viewed with approval.

**T**RADE PRACTICE CONFUSION: The consent decree against the Wool Institute has attracted wide attention as an incident supporting the belief that the Department of Justice has modified its attitude toward trade associations. The trend now seems to be in the direction of closer scrutiny with an eye to violations of any statute aimed at providing utmost freedom of competition. This is seen especially in that section of the decree which forbids uniform opening dates, a practice followed in many trades. No one has ever suggested that agreements of this kind stifle competition, but apparently the point was sufficient in the present instance to raise the objection that in the absence of uniform openings outsiders enjoyed a better chance. Reasoning by analogy is likely to lead to similar action against movements to control production and discriminatory buying which favors manufacturers who subscribe to measures in the common interest, including discount agreements. . . . Agents of the Department of Justice disclaim initiative in these proceedings. The department, they point out, is obliged to act on complaints, which, in this field, always multiply when business conditions are difficult. Complaints of this kind, they say, inspired the "trust busting" under President Roosevelt's administration, and later, in 1914, led to extension of the Sherman anti-trust law in the form of the Clayton act. . . . But such explanations do not clear up the confusion of mind caused by attempts of the present administration to encourage stabilization, by regulating supply in conformity with demand on the one hand, while hampering the machinery of stabilization—the trade association—on the other hand. If the various departments of government are to function independently, having no common policy in relation to business, we may hear more about the need of stabilization in government than in business.



Automobiles of thousands of New York Shipbuilding Company's employees, parked at the plant in South Camden.



New unit of R. C. A. Victor Company's great Camden plant to be in full operation by August 1st.



Employees of R. C. A. Victor Company cashing their payroll checks at Camden bank.  
(Above photos taken since June 17, 1930)

## FIRST CITY TO COME BACK— CAMDEN, NEW JERSEY

Two industries alone out of South Jersey's 539 industries, to employ 30,000 men and women at the rate of 400 a day.

Camden, New Jersey, is the cynosure of all eyes in the country's business world as the first great city to stage an industrial comeback during a period that shows depression throughout the country; Camden is doing exactly that thing right now.

Camden is South Jersey's great industrial centre, but

### Here's the Real News of Camden's Industrial Boom

The R. C. A. Victor Company has just completed another great addition to its twenty odd factory buildings. The new plant cost \$5,000,000 and was rushed through to completion in 48 working days to meet the manufacturing program of this great radio industry.

The Company is taking on 7,000 employees right away. It will have 20,000 at work by August 1, to produce 9,000 complete radio sets daily.

The New York Shipbuilding plant has just opened half of the great yard which has been closed since the

brunt of the nation-wide depression in business has never been felt by this teeming hive of industry, chiefly because of the diversity of its 539 industries which build everything from pens to battleships.

Twelve of Camden's industries are the largest of their kind in the world: Campbell's soups, R. C. A. Victor Company, New York Shipbuilding Company and Esterbrook Pens, which contribute a major part to Camden's annual payroll of more than \$75,000,000.

war. Orders have been placed for \$50,000,000 in ships to be completed in 30 months. Additional orders for as much more are in immediate prospect. It will require 12,000 men to do the job.

The Continental Can Company with its site already selected for a new Camden industry will add another \$1,500,000 to the industrial payroll.

The great and growing area of Camden and all South Jersey can be covered at *one cost* by using South Jersey's own medium—The Courier-Post newspapers.

**EVENING COURIER**

**MORNING POST**

**SUNDAY COURIER POST**

COURIER-POST CO.

COVER HALF A STATE



National Representatives  
STORY, BROOKS & FINLEY

MEMBERS  
A. B. C.

J. David Stern, Publisher

Frank J. Kinsella, Advertising Director

Combined daily circulation Camden Evening Courier and Morning Post over 70,000



# The "Sales Merger"—A New Form of Competitive Strategy

(Continued from page 41)

Francisco, Chicago, Philadelphia, Boston and New York City.

Our divisional managers are really territorial field supervisors. We send them all information regarding sales policies, changes in prices and the lines, and they work directly with their men, helping them in every possible way. In fact they have very little desk sales management. Since the combination, both my assistants and I have spent at least half our time in the territories, and we find that selling demonstrations are worth vastly more than either verbal or written sales instruction.

Our present appropriation for sales-promotion amounts to about half the sums spent by both companies for the purpose before the combination, and it is based on volume of sales. We do not advertise nationally, although we hope to do so later; but we are not anywhere near a national program at this time.

Our advertising appropriation is spent for dealer helps, direct advertising material, house organs, and advertising space in a few trade magazines. The parent companies take care of the cost of their catalogues, pattern books and all other such material.

## Emphasize Exclusive Features

In all of our promotional material we emphasize the exclusive features of our products. For instance, Sandura was the first to use a lacquer finish on felt-base rugs. This finish is resistant to acids and other destructive substances, and adds materially to the wear and quality of our rugs. Many manufacturers use either a lacquer or a wax finish on linoleum; but Blabon uses both, and the combination furnishes a superior product. Also, Blabon has worked out a cork-filled back for linoleum that is much better than the usual paint composition back, and any standard cement will hold it fast to the floor. In all of our promotion and sales work we stress these and other exclusive features, and we find that our salesmen, when thoroughly educated to their advantages, are able to give dealers enough information to convince their customers of the superiority of our goods.

During our first selling campaign we found it difficult to induce all of our distributors to take on the combined lines. Some of them, fortu-

nately, had handled both lines; but others who were desirable had handled one or the other, and had spent years in establishing their trade on competitive lines. However, after fourteen months of promotion, although we still have a few thin spots, our wholesale distributors blanket our territories very well. There is no town or city in the country where dealers cannot get our goods with reasonable promptness.

These results are due to the advantages we are now able to offer our distributors. There is no more resistance on the score of lost discounts. The wholesaler can buy both linoleum and felt-base rugs from us, and secure his seasonal volume discount on the combined volume. He can also order carload lots, specifying a half-car of each line or any other assortment. Hence, he is able to save money on discounts and freight, and, by keeping more cars moving with greater frequency, he offers a better balanced stock with a smaller investment and a more rapid turnover.

## Better Selling Proposition

Furthermore, in selling the dealer, the distributor is in a better position because of our combination. First, by offering a complete line from one company, he is able to interest more large accounts, because, in many instances, companies are given an opportunity to earn better seasonal discounts, with advantages in assortments and turnover. Then, the distributor finds that his salesmen are more interested for the reason that the combined lines offer a better selling proposition. It is also easier for the distributor to control his customer's stocks, and both distributors and salesmen have been able to open retail accounts we could not sell before the combination.

As far as results in volume are concerned, I am sure we have proved the practicability of our form of combination. Until July 1, last year, we were doing a great deal of necessary groundwork; but we held our own in volume, and from July to December, inclusive, we had a fair increase. This year we have maintained about the same rate of improvement, with an increase for March of approximately 10 per cent over our sales for the same month last year.

While our showing is not spectacular, we consider it highly satisfactory in view of business conditions. If it had not been for the depression, I am sure we would have made very much larger gains.

The Blabon-Sandura Company has reduced the cost of selling the two lines materially and we expect this saving to increase steadily as our volume increases, for we can take care of considerably more business with our present sales and executive forces and with very little increase in selling costs. We pay our salesmen salaries and expenses, with commissions on business above their quotas; but their percentage expense of selling diminishes rapidly as their individual volumes increase.

In formulating our selling and operating policy, we were determined to both deserve and gain the confidence and cooperation of all factors of our trade. We are committed to the principle that the distributor and the dealer should be, in spirit, a definite part of the manufacturer's organization, entitled to a fair return on their investment for their efforts, and entitled to a reasonable degree of protection.

## Distributor Policy

Our distributors are selected with a great deal of care, and it is our policy to concentrate our merchandising effort with a few in each distributing center. While we offer quantity discounts, we give all of our accounts an equal opportunity to secure them, and all are quoted the same discounts at the same time. We have no secrets of any kind, and we never have and never shall offer or grant a concession to a distributor or dealer which we cannot give to all. We realized at the start that all of our operations must be founded on economic principle and governed by a fair and equitable policy.

The expense of operating the Blabon-Sandura Company is divided by the parent companies. The operation appropriation is based on a percentage of net sales, which is the same for both lines. And we have been able to operate well within the limit of the appropriation.

In volume of sales, cost of selling, expense of operation and efficiency of management, we think we have demonstrated that our combination is economically sound as an organization, and that it provides numerous benefits to the companies involved. So far, we have not discovered that it has developed any of the disadvantages, while it unquestionably enjoys all of the advantages, of a complete merger.



## Launching a Product in a Prejudiced Market

(Continued from page 50)

American Pulley salesmen recommended that employers place the trial American trucks in the fleet without comment and watch results. At first, late comers found nothing but the American trucks left and were forced to use them. As a result of this stratagem, fleet owners have related that some stevedores have hidden American trucks at the end of the day to be sure to get them the next day—that others have painted their names on favorite American trucks—others actually made a point of arriving at the job earlier to be sure to get an American instead of an ordinary truck. Such indications of employees' appreciation instead of resistance to the purchase of Americans has helped to clinch the sale of these pressed steel trucks many times.

To assist the American Pulley Company's salesmen in interesting dealers and in contacting large fleet owners, exact scale models of different type American steel trucks have been made. These models stand only eleven inches high—yet are exact in every respect even to the minute lock washers on the tiny bolts. Hence, even in casual sales contacts, the American Pulley Company does not neglect the opportunity to impress the distinctive design of their product upon the prospect.

The value of this is expressed by a typical remark made by an American truck user, who said, "The American Truck is the only truck I can recognize without looking for the name."

This distinctive design and the merchandising are responsible for this truck's immediate identification in the publication advertising, in the dealers' window or store, and wherever it is seen at work.

## Boston Will Launch \$50,000 Campaign

Of \$142,000 to be spent by the city of Boston for its Tercentenary Celebration this summer, \$50,000 will be devoted to general advertising in newspapers and magazines, the balance for staging the various events of the celebration.

This is said to be the first time Boston has ever spent money for advertising space.

## Higley Machine Moves

General offices of the Higley Machine Company will be moved July 10 from South Norwalk, Connecticut, to 52 Vesey Street, New York City.



# HOUSTON— Texas Largest City

**PRESENTS A MARKET OF  
ENORMOUS SCOPE FOR  
THE MANUFACTURER  
AND DISTRIBUTOR.**

### A MESSAGE TO SALES MANAGERS

The recent census count of Houston proper places the population at 289,428. This means that Houston is the largest city in Texas, with an active trade area of over two million people.

With her advanced shipping and marketing facilities, Houston offers a valuable market for practically every line of merchandise. Houston as a city is self sufficient, depending upon no outside condition for the support and prosperity of her people. Her agricultural and other natural resources, within a convenient area, assure practically unlimited additional wealth for the future.

**YOU CAN  
REACH THIS  
MARKET MORE  
ECONOMICALLY  
AND MORE  
DIRECTLY BY  
USING . . .**

**HOUSTON AS A POTENTIAL  
MARKET FOR YOUR PRODUCT  
WILL BE PROFITABLE!**

# THE HOUSTON CHRONICLE

Houston's Major Medium

**JOHN M. BRANHAM COMPANY**  
*National Representatives*

## Radio for Results

### Number 5

## WHO?

A leading manufacturer of foundation garments for women, with quarter hour once-a-week morning broadcasts in a number of cities to supplement his schedule of pages and half pages in women's magazines, credited radio with the biggest volume of January and February business in his history.

The cost per radio inquiry has been less than one-fifth the cost of magazine coupons. The product is sold house to house.

The complete story may be secured from

**SCOTT HOWE BOWEN, INC.**

National Representatives of Radio Stations

274 Madison Avenue New York City  
CHICAGO - DETROIT - BOSTON

## IN NEXT WEEK'S ISSUE

*Showing that the original loses  
nothing in the reproduction*



"IMPOSSIBLE!" you say. Judge for yourself from our insert in next week's issue. It shows a display recently prepared for the manufacturers of Gotham Gold Stripe Silk Hosiery.

You'll forget that it is just a piece of flat printed paper. The play of light and shadow is so perfect that it seems to show real flesh encased with real silk.

In this day of so much good display material it is only the well nigh perfect that attracts unusual attention. Which means, that it is worth your while to discuss your color advertising with the U. S. representative near you.

THE UNITED STATES PRINTING  
AND LITHOGRAPH CO.

Cincinnati Baltimore Brooklyn  
Service offices in 16 cities

## Municipal Advertising Needs the Investment Point of View

(Continued from page 48)

but we aren't aiming at inquiries exclusively," he was told. "This advertisement, for example (indicating a page in a weekly news magazine), brought thirteen inquiries. Among the thirteen are six well-rated manufacturers who can, we believe, better themselves by establishing a plant or a branch in Louisville. How many other manufacturers interested in plant and branch plant location read the advertisement and were impressed we, of course, don't know.

"We do know that a new national conception of Louisville and of specific economic advantages that location here offers has come into existence. We have begun to build something—a series of definite impressions favorable to Louisville. This affects our present industries now. As more and more business executives awaken to the need of combining production and marketing economies, we shall get our share of new industries.

### Selling a City, Not Soap

"Urge your committee to avoid basing their estimate of advertising's effectiveness on inquiries, unless inquiries are your specific goal. Urge your committee to look on their advertising as an investment. Give it time. You aren't selling soap or cigarettes. You are re-making a city. Our experience, from 1916, is that it takes from two to eight years to bring a plant to Louisville."

Most of the advertising cities are well over the 100,000 mark in population. Their size alone is *prima facie* evidence of the fact that they possess many of the economic advantages that industry wants. How long has the youngest of these been in the making? Even Tulsa, whose growth seems nothing short of miraculous has a history in the nineteenth century. Remembering this, isn't it reasonable to assume that more than three, four or five years will be required to re-make a city? For advertising's job appears to be little short of that.

There are several ways of answering the query: "Just what has our advertising accomplished for us?"

One is to explain frankly and without equivocating that it takes time for advertising to ring the cash register when a city's industrial assets compose the stock of merchandise offered. Today's advertising won't be mirrored in increased payrolls this year or next

year, because management does not decide to move or to build with the same celerity that the housewife shows as she rushes to shop after reading the morning newspaper.

Another answer is to keep figures ready showing so great an expansion that the questioner soon begins to wonder at his own temerity in asking for an explanation. An incident will show what I mean.

"How do you folks continue to show such remarkable gains year after year?" was asked a man who deals with one city campaign. "You regularly report so many new businesses that before long New York and Chicago will start worrying about you as a competitor."

### To Encourage Subscribers

"Partly because of our location and the logical swing of business toward our section," he replied. "And partly because we list and report as a new industry every sort of enterprise. We include every barber shop, cigar store and shoe shine stand as a new business acquired, largely for home consumption. Right now, we're annexing population so that the 1930 census will show us in a new position. We do this because we have to keep our home folks subscribing."

New Orleans talks about results in a more conservative, business-like manner. In making his first report, the chairman of the advertising committee said, "we have been advertising only five months—and five months is but an overnight period in building industries. New factories cannot be built overnight. Don't understand that I am apologizing, for I am not. We have made a very secure beginning."

Walter C. Johnson, president of the Chattanooga Community Advertising Association, in his last report, said: "The benefits and tangible results cannot be charted nor shown in cold figures. However, it is known that Chattanooga is steadily advancing in population, industry, number of tourists and many other lines."

Recently Atlanta has gone into the matter of results as reflected in payrolls very exhaustively.

Louisville's campaign of national advertising dates back to 1927. Considering only manufacturing plants, Louisville gained twenty-one in 1927, twenty-six in 1928 and thirty-five in



1929. Each year the payroll resulting from new plants was larger than during the preceding year. Advertising may be fairly presumed to have been an influencing factor in this growth, but Louisville's advantages in markets, raw materials, transportation, labor, power and climate were obvious enough, without any advertising, to produce remarkable development in the decade ending in 1928. Instead of claiming great things for its advertising, the Louisville attitude is: Our established industries are growing. We are acquiring new ones, but real dividends have not begun to accrue in tangible form. They should not be expected for some time.

When advertising's methods of working are understood there is, of course, little disposition to charge advertising with the entire responsibility of selling. It is unfortunate that many people with a real interest in city or community advertising see advertising only from out front. They want action, thrills and dramatic achievements. Advertising can supply them!

### Value of Special Booklets

Any city taking the trouble to study topics business executives are discussing seriously and preparing a booklet or other mailing piece dealing intelligently with one or more of those topics can produce inquiries enough to satisfy anyone's craving for action. Give the mailing piece an inviting title. Offer it without cost in an advertisement. You won't have to wait for results. Make it unselfish and of some apparent practical value and the booklet, map or whatever it is will build good will most impressively.

Every advertising city must have some compendium or booklet to use in following up and driving home the points it stresses in publication space. What I am advocating here is something special and in addition to the regular city book or pamphlet, when contributors to the fund want more action for their money. Something that can be featured in itself.

Last November, Louisville advertised a marketing map of the United States in about twenty metropolitan newspapers and ten business publications. The map showed each state drawn to scale, with population instead of miles as the yardstick. For population, after all, does count when you're trying to measure your opportunity to sell. The map, printed in colors on durable paper, was offered without cost to sales executives. Nearly 2,500 wrote for it—nearly a record among advertisements for a city or community. The quality of these inquiries, measured by the commercial ratings of the companies represented,

was the highest that this city's advertising has ever produced.

An advertisement such as this offers a change of pace that induces renewed interest in the thing advertised. It keeps a campaign from being taken for granted, it gets read and it satisfies the craving for action on the part of contributors.

Cities now advertising or contemplating advertising may find something worth thinking about if they remember that more than a third of the manufacturing plants in the United States are still in New England, New York and Pennsylvania. There's a condition to change—a target for alert cities in the South, Middle West or West. With the center of population fairly well established in southern Indiana and with the continued insistence of buyers on fast and frequent deliveries it seems evident that many long-somnolent industries must gradually follow the movement of population South and West to keep pace with competition. At the same time, it is axiomatic that industries do not migrate at a speed much faster than a snail's canter.

Thus the city with industrial advantages worth advertising is likely to find it can develop faster by the growth of its present industries than by acquisition. That point is worth remembering. It means that city advertisers ought to hatch creative ideas and write copy calculated to foster development from within.

### Two Phases to the Campaign

At its beginning, every city campaign must logically be broken down into two distant phases; an internal campaign and an external campaign. As an essential part of the internal campaign, there must be a never-ending cultivation of the investment point of view of the whole movement. The mail-order or department-store philosophy of advertising, if tolerated, will do nothing but obstruct. It can be combated through frequent bulletins to subscribers, which any city or community advertising ought, I believe, to publish regularly covering the progress of the movement. Co-operation of local publications, and the use of speakers before luncheon clubs and other groups are other helpful means of building a wholesome morale without which many a city advertising program has faltered and gone to pieces.

With the right point of view, the investment point of view, that appreciates how necessary are time and persistence in the big job of re-fashioning of a city industrially, the way is clear. Then—and only then—has advertising a real chance to produce results.

## You Can

- get more business from your established dealers;
- hold new and doubtful dealers in line;
- secure new dealers;
- make full line dealers of those who now split their business;
- get back the dealer who was attracted by your competitor's superior Dealer Help program.

Two hundred National Advertisers use the Donnelley Plan to accomplish these things.

Ask about the eighteen million rated families.

## The REUBEN H. DONNELLEY CORPORATION

### Direct Mail Division

320 East 21st Street  
CHICAGO, ILLINOIS

79 Madison Avenue  
NEW YORK CITY, N. Y.

1611 South Hope Street  
LOS ANGELES, CALIFORNIA

*We will co-operate with your Printer,  
Agency or Direct Mail Counsel.*



"AN ADDRESS OF DISTINCTION"



### EXCEPTIONAL SUMMER ADVANTAGES

OVERLOOKING Lake Michigan . . . with parklands . . . beaches and bridle path close at hand . . . Restfully quiet . . . yet within a few minutes of the Loop stores . . . and theatres. Rooms are light . . . airy . . . foods tempt the lagging summer appetite. Rates begin at \$5.00 per day. Permanent Suites at Special Discounts.

**THE  
DRAKE**  
HOTEL, CHICAGO  
*Under Blackstone Management*

**Free Mailing Lists**  
Will help you increase sales  
Send for FREE catalog giving counts  
and prices on thousands of classified  
names of your best prospective customers—National, State and Local—Individuals, Professionals, Business Concerns.  
**99% Guaranteed 5¢ each**  
by refund of  
**ROSS-GOULD CO.** 376 N. 10th St. St. Louis

### Direct Mail Advertising

is the name of our latest publication. It is a weekly devoted to direct mail advertising and selling. Gives valuable suggestions for increasing profits by the use of direct mail; suggestions as to paper, business reports, etc. It is a magazine of inestimable value to all executives selling by mail. Writers include many of the best-known business writers in the country—all of whom are meeting, every day, the problems they analyze in DIRECT MAIL ADVERTISING. Send \$1.00 for sample copy or \$3 for 52 weekly issues.  
**BUSINESS POINTERS PUBLISHING CO.,**  
Suite 790 Cedarhurst, N. Y.

**PHOTOSTATS**  
COMMERCE  
PHOTO-PRINT CORP.  
42 Broadway 33 West 42nd St. 80 Maiden Lane  
Tel LONGacre 8645  
**PHOTOGRAPHS**

## WANTED

Volume I, Sales Management  
Address Circulation Dept.  
420 Lexington Ave., New York, N. Y.

# Russia May Buy \$200,000,000 of American Products this Year

(Continued from page 45)

course, very important, Mr. Bogdanov said. "In a recent statement, Mr. Piatakov, chairman of the Soviet State Bank, called attention to the fact that before the war it was the usual practice for Russian firms to default in about 15 or 20 per cent of their obligations. The Soviet Union has been doing business with foreign countries for about ten years. Amtorg Trading Corporation was six years old last month. During all this period there has not been a single instance of a Soviet organization failing to carry out any obligations undertaken by it. The very fact that the foreign trade of the U. S. R. R. is a state monopoly, coordinated and centralized in the hands of the Commissariat for Trade, makes Soviet importing organizations about the best risk in the world. Our considerable deposits abroad and the fact that the Soviet Union is a large producer of gold and that its imports are confined within its export possibilities should dispose of all doubts as to the security of credits extended to the Soviet Union."

Companies now selling to the Soviet represent, to a very great degree, a "Who's Who" of American industry. A few of them are: Ford Motor Company, General Electric Company, Caterpillar Tractor Company and International Harvester Company.

### Technical Assistance

In addition, some forty American companies and 700 individuals—practically all engineers—are rendering technical assistance to the Soviet Government in Russia. This list is equally representative.

In 1929 about 800 American business men and engineers left for the Soviet Union, some to study market conditions in that country and some for permanent employment. Not counting the American Businessmen's Delegation of nearly 100 persons, which was organized by the American-Russian Chamber of Commerce, it was visited last year by representatives of more than 150 American firms.

Concessions are available to American and other companies for the construction and operation of factories, mills and mines, for the building of houses and roads, and for the development of forest, mineral and other natural resources of the Union. As Soviet industry develops, these

concessionnaires will, of course, lose their monopolies. At present, however, their opportunities are great.

The concessionnaire may supply the entire capital necessary for the project or may enter into a "mixed" contract with the Soviet state organization, or, in the case of technical advisers, may not be required to invest any capital at all.

### Option on Output

Concessionnaires engaged in production are usually permitted to dispose of their product on the Soviet market and also to export a certain proportion. In cases where the concession enterprise produces commodities for which there is a large demand in the U. S. S. R., the agreement usually contains a provision giving an option to Soviet organizations for a part or the whole of the output.

The concessionnaire may export from the country the entire net profit of the enterprise, the transfer of money to be effected through the State Bank of the U. S. S. R., or any other bank in the country. In certain instances where the concessionnaire's investment is comparatively small, the government may require a provision limiting the export of profits during the first few years of the concession's operation.

The practice of the government has been to favor concession enterprises which can obtain the needed raw materials and semi-manufactured products within the country. If these materials are not available there, the concessionnaire may import them—the quantity and procedure of importing being specified in the concession agreement. In these cases imports are allowed until such time as the production of the required materials is begun in the country.

In the payment of taxes and duties the concessionnaire is placed in the same group as similar Soviet enterprises. Excess profits are usually taxed according to a scale specified in the agreement.

The object of the Five-Year Economic Program is to enable the Soviet Union to stand on its own feet economically and to develop to its own advantage the resources of the nation as a whole. To achieve this end the Soviet is glad to employ, and com-

pensate adequately, the best "brains," products and inventions of other countries.

It is also adapting to its own purposes certain methods of production and distribution which have proved of value elsewhere. The chain store trend, for example, is making rapid headway in the Soviet Union. Only about 10 per cent of the stores are now "private," and with wholesalers the proportion is even smaller. The chains are under the supervision of a Consumers' Cooperative Union. They are, in many instances, "general" stores, carrying a wide variety of products to meet virtually all the needs of their respective communities.

The Five-Year Plan, initiated late in 1928, aims to develop the productive forces of the country through the exploitation of its natural resources, and the reconstruction of agriculture in order to raise its productivity and develop new crops. The results of the first year and a half of the operation of the Five-Year Plan indicate that it is being carried out successfully. The actual results have, in most instances, exceeded expectations. During the first year it was expected to increase industrial production some 21 per cent. The actual gain was 24.

### 29 Per Cent Gain This Year

For the current fiscal year the gain was also originally scheduled at 21 per cent, but recently the program was raised to 32 per cent. The actual increase in industrial production during the first seven months of the year was more than 29 per cent.

"The primary goal of the economic policy of the Soviet Union," Mr. Bogdanov explained, "is to convert a backward agricultural country into a progressive, industrial-agricultural country. To prepare the foundation for this development, we are engaged in the building of several score public utility power plants with a combined capacity ten times as great as that of all the public utility stations operating in 1913. We are constructing a number of automobile and tractor plants and scores of large and small steel plants, textile mills, chemical, paper and shoe factories, mines, oil wells, etc."

The increase in production efforts in the Soviet Union and the greater amount of products made available yearly for export will not diminish the amount of imports. It goes without saying, the more the Soviet Union can sell, the more it will be able to buy. The Soviet Union will continue to be one of the best customers of American manufacturers.

**T**O Sales and Advertising Executives who want accurate, down-to-the-minute information about

**Daily Newspapers**

**General Magazines**

**Foreign Language and  
Religious Publications**

**Farm Papers**

**Business Papers**

**Radio Broadcast  
Advertising Rates**

**we recommend that you send for details of a plan which places this Service at your disposal for 30 days without obligation on your part.**

### STANDARD RATE & DATA SERVICE

*The National Authority*

536 LAKE SHORE DRIVE

**CHICAGO**

### Radio for Results

**Number 6**

**WHO?**

A company making an anti-freeze compound has placed recently its third annual reorder for radio broadcasting. It uses northern stations in winter months following evening weather reports to remind autoists to use anti-freeze in their radiators. Despite growing competition, the dealers in sections covered by these radio announcements report more than a normal increase in business.

*The complete story may be secured from*

**SCOTT HOWE BOWEN, INC.**

*National Representatives of Radio Stations*

274 Madison Avenue New York City  
CHICAGO - DETROIT - BOSTON

### BURKHARDT

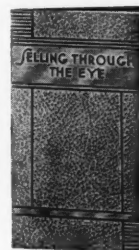


### VISUAL-SELLING EQUIPMENT

Display binders for every need—from pocket size to three feet high. Standard sizes carried in stock for immediate shipment; special sizes to order. Insist on the original Burkhardt design.

#### Booklet Free

"Selling through the Eye"—a brief outline of the principles of visual selling; also illustrates and describes Burkhardt single and double-vision display binders. Copy free to Sales and Advertising Executives.



**The Burkhardt Company**

Burkhardt Bldg.

Detroit, Michigan

## Out Where the Sales Plan Begins

(Continued from page 46)

simplified and changed so that, in effect, a new Pinaud line was created, barber shop stigma disappeared, and the general good will of the Pinaud name remained.

A few examples of what can be done when the facts are known have been related. An endless number of similar instances could be added. All show that marketing and selling problems are safely approached only by knowing the facts. Field research is often the only sure method of obtaining the essential information.

Field research can find facts about: markets and their potentialities; consumers and their buying habits; dealers and their business methods; selling policies; sales territories; sales quotas; merchandising policies; new products and the improvement of existing products; appropriate packages; proper trade-marks and slogans; efficiency of advertising; copy appeals; media read by consumers and dealers; the competitive situation; selected groups of people or individual persons.

Field research can not only find any or all of the above facts, but also, in the quest for specific information, usually discovers additional important material. The data are then tabulated, analyzed and carefully studied, so that the findings can take the form of practical suggestions as to improvements in business policy. Each suggestion can be backed by organized facts which prove its soundness.

Success in modern business is based upon selling efficiency. This, in turn, is based upon creating selling policies which fit the needs of the trade and of consumers. The manufacturer who knows the facts about his market, his trade, his consumers and their buying habits, has a powerful advantage over his competitors.

(This is the first of a group of articles by Mr. White on research. The next will appear in an early issue.—THE EDITORS.)

## Film Sells U. S. Cars in South America

A motion picture film on motor car operation, to overcome hesitancy of people who think driving difficult to master, is now being shown in South America by Henry S. Sterling of the National Automobile Chamber of Commerce, who will visit 150 cities there. Eleven meetings, in Venezuela, were attended by 7,000 people.

## Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.  
Cash Basis Only. Remittance Must Accompany Order.

### SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years' salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

### EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each

client's personal requirements, your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

### POSITION WANTED

SALES PROMOTION—HAS ANALYZED MARKETS, handled sales research. Presented finding graphically. Liaison agent between sales and advertising departments. Prepared sales letters, direct mail, business paper advertisements. Nine years' experience in advertising and marketing. Has served as Advertising Manager; worked closely with sales manager. University man, 31; married. Address Box 247, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

SALES MANAGER SEEKS PERMANENT CONNECTION with opportunity for advancement with large well-rated manufacturer or distributor. 20 years in selling and sales management. Age 39, hard worker, aggressive, executive type, also advertising experience. Address Box 248, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

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## Reprints at Cost

We will reprint at cost plus ten per cent for postage and packing any article in this or other issues of SALES MANAGEMENT.

In every issue there are articles which profitably could be sent to business associates, customers, or friends of some of our readers. We shall be pleased to quote prices in any quantity desired.

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